IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES.

THIS OFFERING OF THE SECURITIES DESCRIBED IN THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT IS AVAILABLE ONLY TO INVESTORS WHO ARE QUALIFIED INSTITUTIONAL BUYERS AS DEFINED UNDER REGULATION 2(1)(ZD) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI ICDR REGULATIONS").

IMPORTANT: This e-mail is intended for the named recipient(s) only. If you are not an intended recipient, please delete this e-mail from your system immediately. You must read the following before continuing. The following applies to the pre-numbered preliminary placement document of MEP Infrastructure Developers Limited (the "**Company**") dated March 22, 2018 (the "**Preliminary Placement Document**") attached to this e-mail, and you are therefore advised to read this carefully before reading, accessing or making any other use of the attached Preliminary Placement Document. In accessing the Preliminary Placement Document, you agree to be bound by the following terms and conditions, including any modifications to them, from time to time, each time you receive any information from us as a result of such access. You acknowledge that the Preliminary Placement Document is intended for use by you only and you agree not to forward it to any other person, internal or external to your company, in whole or in part, or otherwise provide access via e-mail or otherwise to any other person.

THE EQUITY SHARES HAVE NOT BEEN NOR WILL BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**"), AND THEY MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS.

ACCORDINGLY, THE EQUITY SHARES ARE BEING OFFERED AND SOLD (A) IN THE UNITED STATES ONLY TO PERSONS REASONABLY BELIEVED TO BE QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT) PURSUANT TO SECTION 4(A)(2) OR ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT, AND (B) OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S UNDER THE U.S. SECURITIES ACT ("**REGULATION S**"), OR PURSUANT TO ANOTHER EXEMPTION FROM, OR IN TRANSACTIONS NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS, SALES AND TRANSFERS OF THE EQUITY SHARES AND DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT, SEE "SELLING RESTRICTIONS", "NOTICE TO INVESTORS", AND "TRANSFER RESTRICTIONS". THE ATTACHED PRE NUMBERED PRELIMINARY PLACEMENT DOCUMENT MAY NOT BE FORWARDED, DOWNLOADED, DELIVERED OR DISTRIBUTED, IN WHOLE OR IN PART, ELECTRONICALLY OR OTHERWISE TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE EQUITY SHARES DESCRIBED IN THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT.

This Issue and the distribution of this Preliminary Placement Document is being done in reliance on Chapter VIII of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with rules made thereunder, each as amended. This Preliminary Placement Document is personal to each prospective investor and does not constitute an offer or invitation or solicitation of an offer to the public or to any other person or class of investors.

Confirmation of your Representation: You have accessed the attached Preliminary Placement Document on the basis that you have confirmed your representation, agreement and acknowledgement to ITI Capital Limited (formerly Inga Capital Limited) and First Global Finance Private Limited (the "**Book Running Lead Managers**") that: (1) (i) the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States, its territories or possessions and to the extent that you purchase the securities described in the attached Preliminary Placement Document, you will be doing so pursuant to Regulation S; OR (ii) you are, or are acting on behalf of, a "qualified institutional buyer" (as defined in Rule 144A) pursuant to Section 4(a)(2) of the U.S. Securities Act; (2) the securities offered hereby have not been registered under the U.S. Securities Act; AND (3) that you consent to delivery of the attached Preliminary Placement Document and any amendments or supplements thereto by electronic transmission; (4) you the intended recipient of the attached Preliminary Placement Document and are a "Qualified Institutional Buyer" as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations and are not restricted from participating in the offering under the SEBI Regulations and other applicable laws and not excluded pursuant to Regulations 86(1)(b) of the SEBI ICDR Regulations; and (5) you agree and acknowledge that if you are allotted more than 5% of the equity shares in the Issue, the Issuer shall be required to disclose your name and the number of equity shares allotted to you to the Stock Exchanges, and they will make the same available on their website and you consent to such disclosures; and (6) that you consent to delivery of the attached Preliminary Placement Document and any amendments or supplements thereto by electronic transmission.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of either the issuer of the securities or the Book Running Lead Managers to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute a "general solicitation" or "general advertising" (each as defined in Regulation D under the U.S. Securities Act) or "directed selling efforts" (as defined in Regulation S) in the United States or elsewhere. You are reminded that the attached Preliminary Placement Document has been delivered to you on the basis that you are a person into whose possession the attached Preliminary Placement Document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the attached Preliminary Placement Document to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or invitation or solicitation in any place where offers, invitations or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and Book Running Lead Managers or any affiliate of the Book Running Lead Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Book Running Lead Managers or such affiliate on behalf of the Company in such jurisdiction. Further, nothing in this electronic transmission constitutes an offer or an invitation or solicitation of an offer or an offer or invitation to the public under the Companies Act, 1956 or the Companies Act, 2013, as applicable, by or on behalf of either the Company or the Book Running Lead Managers to subscribe for or purchase any of the equity shares described in the attached Preliminary Placement Document. The attached Preliminary Placement Document has not been and will not be registered as a prospectus or a statement in lieu of prospectus with any registrar of companies in India and is not and should not be construed as an offer document under the SEBI ICDR Regulations or any other applicable law. The attached Preliminary Placement Document has not been and will not be reviewed or approved by any regulatory authority in India, including the Securities and Exchange Board of India, Reserve Bank of India, any registrar of companies in India or any stock exchange in India. The attached Preliminary Placement Document is not and should not be construed as an invitation, offer or sale of any securities to the public in India.

The Preliminary Placement Document been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Company, Book Running Lead Managers or any person who controls any of them or any director, officer, employee or agent of any of them or affiliate of any of them accepts any liability or responsibility whatsoever in respect of any difference between the Preliminary Placement Document distributed to you in electronic format and the hard copy version available to you on request from the Book Running Lead Managers. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature. The attached Preliminary Placement Document is intended only for use by the addressee named herein and may contain legally privileged and / or confidential information. If you are not the intended recipient of the attached Preliminary Placement Document, you are hereby notified that any dissemination, distribution or copying of the attached Preliminary Placement Document is strictly prohibited. If you have received the attached Preliminary Placement Document in error, please immediately notify the sender or the Book Running Lead Managers by reply email and destroy the email received and any printouts of it.

Actions That You May Not Take: You should not reply by e-mail to this announcement, and you may not purchase any of the equity shares described in the attached pre-numbered Preliminary Placement Document by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected. You may not nor are you authorized to deliver or forward this document, electronically or otherwise, to any other person.

YOU MAY NOT AND ARE NOT AUTHORIZED TO (1) FORWARD OR DELIVER THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR (2) REPRODUCE SUCH PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Preliminary Placement Document
Not for circulation
Private and confidential
Serial No. ___

The information in this Preliminary Placement Document is not complete and may be changed. The Issue is meant only for QIBs on a private placement basis and is not an offer to the public or to any other class of investors to purchase the Equity Shares. This Preliminary Placement Document is not an offer to sell any Equity Shares and is not soliciting an offer to subscribe to or buy the Equity Shares in any jurisdiction where such offer, sale or subscription is not permitted. This Preliminary Placement Document is being issued for the sole purpose of information or discussion relating to the Equity Shares that may be Allotted pursuant to

MEP INFRASTRUCTURE DEVELOPERS LIMITED

MEP Infrastructure Developers Limited our ("**Company**") was incorporated as MEP Toll Road Private Limited on August 8, 2002, at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956. The name of our Company was changed from MEP Toll Road Private Limited to MEP Infrastructure Developers Private Limited and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Mumbai, to our Company on November 28, 2011. Thereafter, our Company was converted into a public limited company pursuant to approval of the shareholders in an extraordinary general meeting held on August 19, 2014 and consequently, the name of our Company was changed to MEP Infrastructure Developers Limited and a fresh certificate of incorporation consequent upon conversion to public limited company was granted on September 8, 2014. For details, see "General Information" on page 242.

Registered Office and Corporate Office: A 412, Boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri (East), Mumbai 400 072
Contact Person: Harshad Pusalkar, Company Secretary and Compliance Officer
Tel: (91 22) 6120 4800; **Fax:** (91 22) 6120 4804 **Email:** cs@mepinfra.com; **Website:** www.mepinfra.com
Corporate Identity Number: L45200MH2002PLC136779

Our Company is issuing up to [●] equity shares of face value of ₹ 10 each (the "**Equity Shares**") at a price of ₹ [●] per Equity Share (the "**Issue Price**"), including a premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] million (the "**Issue**") to the QIBs (as defined below).

THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT 2013, AS AMENDED, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED AND CHAPTER VIII OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "SEBI REGULATIONS").

Our Company's outstanding Equity Shares are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**"). The closing price of the outstanding Equity Shares on BSE and NSE as on March 22, 2018 was ₹77.60 and ₹77.75 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI Listing Regulations**") for listing of the Equity Shares to be issued pursuant to the Issue, from BSE and NSE on March 22, 2018.Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE ISSUE.

A copy of this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereinafter) has been delivered to the Stock Exchanges. A copy of the Placement Document (which shall also include disclosures prescribed under Form PAS-4) shall be delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the Registrar of Companies, Mumbai (the "**RoC**") and the Securities and Exchange Board of India (the "**SEBI**") within the stipulated period as required under the Companies Act 2013 (as defined hereinafter) and the PAS Rules (as defined hereinafter). This Preliminary Placement Document has not been reviewed by the SEBI, the Reserve Bank of India (the "**RBI**"), the Stock Exchanges, the RoC or any other regulatory or listing authority, and is intended only for use by QIBs (as defined hereinafter). This Preliminary Placement Document has not been and shall not be registered as a prospectus with the RoC, shall not be circulated or distributed to the public in India or any other jurisdiction, and the Issue shall not constitute a public offer in India or any other jurisdiction.

THE ISSUE AND DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO QIBs IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT 2013 AND THE RULES PRESCRIBED THEREUNDER, AND CHAPTER VIII OF THE SEBI REGULATIONS. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN QIBs. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORISED TO: (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTOR ARE ADVISED TO CAREFULLY READ "RISK FACTORS" BEGINNING ON PAGE 55 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES ISSUED PURSUANT TO THIS ISSUE.

Invitations, offers and sales of Equity Shares to be issued pursuant to the Issue shall only be made pursuant to this Preliminary Placement Document, together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined herein). For further details, see "Issue Procedure" beginning on page 190. The distribution of this Preliminary Placement Document or the disclosure of its contents without our Company's prior consent to any person other than QIBs and persons retained by QIBs to advise them with respect to their purchase of Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any other applicable state securities laws of the United States and, unless so registered, may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons who are "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act ("**Rule 144A**")) ("**U.S. QIB**") pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act; for avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Preliminary Placement Document as "**QIBs**" and (b) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdiction where those offers and sales are made. See "Selling Restrictions" and "Transfer Restrictions" on pages 202 and 209, respectively.

The information on our Company's website, any website directly or indirectly linked to our Company's website or on the website of the Book Running Lead Managers (as defined hereinafter) or of their respective affiliates does not form part of this Preliminary Placement Document and prospective investors should not rely on any such information contained in or available through any such websites for their investment in this Issue.

This Preliminary Placement Document is dated March 22, 2018.

BOOK RUNNING LEAD MANAGERS	
ITI Capital Limited (formerly known as Inga Capital Limited)	**First Global Finance Private Limited**

TABLE OF CONTENTS

NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Preliminary Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all information with respect to our Company its Subsidiaries, its Associates (collectively referred to as “Group”) and the Equity Shares, which we consider material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Group and the Equity Shares are in all material respects, true, accurate and not misleading, and the opinions and intentions expressed in this Preliminary Placement Document with regard to our Group and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Company. There are no other facts in relation to our Group and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements.

ITI Capital Limited (formerly Inga Capital Limited) and First Global Finance Private Limited (the “**Book Running Lead Managers**”) have not separately verified the information contained in this Preliminary Placement Document (financial, legal, or otherwise). Accordingly, neither the Book Running Lead Managers, nor any of its shareholders, employees, counsel, officers, directors, representatives, agents or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Managers as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with our Company and its Subsidiaries and the Equity Shares. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied on the Book Running Lead Managers or on any of its shareholders, employees, counsel, officers, directors, representatives, agents or affiliates in connection with such person’s investigation of the accuracy of such information or such person’s investment decision, and each such person must rely on its own examination of our Group and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company, or by or on behalf of the Book Running Lead Managers. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable state securities laws of the United States and, unless so registered may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons who are U.S. QIBs pursuant to Section 4(a)(2) or another applicable exemption from registration under the U.S. Securities Act; for avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Preliminary Placement Document as “**QIBs**” and (b) outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described in “Selling Restrictions” and “Transfer Restrictions” on pages 202 and 209, respectively, of this Preliminary Placement Document. Purchasers of the Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in the sections “Representations by Investors” and “Selling Restrictions” and “Transfer Restrictions” on pages 3, 202 and 209, respectively of this Preliminary Placement Document.

The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe to the Issue (in consultation with the Book Running Lead Managers or their representatives), and those retained by Eligible QIBs to advise them with respect to their purchase of the Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The distribution of this Preliminary Placement Document and the issue of the Equity Shares may be restricted in certain jurisdictions by applicable laws. As such, this Preliminary Placement Document does not constitute, and may not be used for, or in connection with an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company and the Book Running Lead Managers which would permit an offering of the Equity Shares or distribution of this Preliminary Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document, nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

In making an investment decision, the prospective investors must rely on their own examination of our Group and the Equity Shares and the terms of the Issue, including the merits and risks involved. The prospective investor should not construe the contents of this Preliminary Placement Document as legal, tax, accounting or investment advice. The prospective investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the Book Running Lead Managers are making any representation to any offeree or subscriber to the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or subscriber under applicable legal, investment or similar laws or regulations. Each subscriber of the Equity Shares is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in our Company under Indian law, including under Chapter VIII of the SEBI Regulations and Section 42 of the Companies Act 2013 read with Rule 14 of the PAS Rules and that it is not prohibited by the SEBI or any other statutory authority from buying, selling or dealing in the securities including the Equity Shares. Each subscriber of the Equity Shares also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

This Preliminary Placement Document contains summaries of documents, which summaries are qualified in their entirety by the terms and conditions of such documents.

The information on our Company's website, www.mepinfra.com, any website directly and indirectly linked to the website of our Company or on the website of the Book Running Lead Managers and of their affiliates, does not constitute nor form part of this Preliminary Placement Document. The prospective investors should not rely on any such information contained in, or available through, any such websites.

CERTAIN U.S. MATTERS

THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OR ANY OTHER APPLICABLE STATE SECURITIES LAWS OF THE UNITED STATES AND, UNLESS SO REGISTERED, MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE EQUITY SHARES ARE BEING OFFERED AND SOLD (A) IN THE UNITED STATES ONLY TO PERSONS REASONABLY BELIEVED TO BE QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT) PURSUANT TO SECTION 4(a)(2) UNDER THE U.S. SECURITIES ACT, AND (B) OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S UNDER THE U.S. SECURITIES ACT. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON TRANSFER OF THE EQUITY SHARES, SEE "TRANSFER RESTRICTIONS" ON PAGE 209.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED WITH, OR APPROVED OR DISAPPROVED BY, THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER UNITED STATES REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT PASSED ON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PLACEMENT DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

For information to investors in certain other jurisdictions, see "Selling Restrictions" and "Transfer Restrictions" on pages 202 and 209, respectively.

REPRESENTATIONS BY INVESTORS

References herein to "you" or "your" is to the prospective investors in the Issue.

By bidding for and/or subscribing to any Equity Shares in the Issue, you are deemed to have represented, warranted, and acknowledged to and agreed with our Company and the Book Running Lead Managers, as follows:

- You are a 'QIB' as defined in Regulation 2(1)(zd) of the SEBI Regulations, having a valid and existing registration under applicable laws and regulations of India, not excluded pursuant to Regulation 86(1)(b) of the SEBI Regulations and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allocated to you in accordance with Chapter VIII of the SEBI Regulations and undertake to comply with the SEBI Regulations, the Companies Act and all other applicable laws, including any reporting obligations;

- If you are not a resident of India, you are an Eligible FPI (as defined hereinafter) eligible to participate only under FEMA Regulations, respectively and have a valid and existing registration with SEBI under the applicable laws in India;

- You are eligible to invest in India and in our Company under applicable laws, including the FEMA Regulations and have not been prohibited by the SEBI or any other regulatory authority from buying, selling or dealing in securities or otherwise accessing the capital markets in India;

- You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;

- If you are Allotted Equity Shares pursuant to the Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges. For additional restrictions in this regard, see "Transfer Restrictions" on page 209;

- You have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements and undertakings detailed in the sections titled "Selling Restrictions" and "Transfer Restrictions" on pages 202 and 209 respectively;

- You are aware that this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4) has not been and will not be registered as a prospectus under the Companies Act 2013, the SEBI Regulations or under any other law in force in India. This Preliminary Placement Document has not been reviewed, verified or affirmed by the RBI, the SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by QIBs;

- This Preliminary Placement Document has been filed, and the Placement Document will be filed, with the Stock Exchanges for record purposes only and this Preliminary Placement Document and the Placement Document will be displayed on the websites of our Company and the Stock Exchanges;

- You are entitled to subscribe to and acquire the Equity Shares to be issued pursuant to the Issue, under the laws of all relevant jurisdictions that apply to you, and you have: (i) fully observed such laws; (ii) the necessary capacity; and (iii) obtained all necessary consents, governmental or otherwise, and authorisations and complied with all necessary formalities, to enable you to commit to participation in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;

- Neither our Company nor the Book Running Lead Managers or any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates is making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the Book Running Lead Managers. Neither the Book Running Lead Managers nor any of its shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;

- You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the "**Company Presentations**") with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Book Running Lead Managers may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such Company Presentations may have had any material misstatements or omissions, and, accordingly you acknowledge that the Book Running Lead Managers has advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) you confirm that you have not been provided any material information relating to our Company and the Issue that was not publicly available;

- Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made on the basis of any information relating to our Company which is not set forth in the Preliminary Placement Document;

- You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the Takeover Regulations, Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act 2013;

- All statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our Company's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company's business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Company's present and future business strategies and environment in which our Company will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Preliminary Placement Document. Our Company assumes no responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;

- You are aware and understand that the Equity Shares are being offered only to QIBs, pursuant to the Issue, and are not being offered to the general public, and the Allotment of the same shall be at the discretion of our Company, in consultation with the Book Running Lead Managers;

- You are aware that if you are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their websites and our Company will be required to make the requisite filings with the RoC and SEBI within the stipulated period as required under the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014; and you consent to such disclosures. Further, if you are one of the top ten shareholders in our Company, we will be required to make a filing with the RoC within 15 days of the change, under Section 93 of the Companies Act, 2013;

- You have been provided a serially numbered copy of this Preliminary Placement Document and have read it in its entirety, including in particular, "Risk Factors" on page 55;

- In making your investment decision, you have (i) relied on your own examination of our Group and the terms of the Issue, including the merits and risks involved; (ii) made your own assessment of our Company, the Equity Shares and the terms of the Issue; (ii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws; (iii) relied solely on the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or its Directors, its Promoters, its Subsidiaries or any other party; (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares; and (v) relied upon your own investigation and resources in deciding to invest in the Issue;

- Neither the Book Running Lead Managers nor any of its shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Book Running Lead Managers or any of its shareholders, directors, officers, employees, counsel, representatives, agents or affiliates when evaluating the tax consequences in relation to the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You waive and agree not to assert any claim against our Company or the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

- You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any accounts for which you are subscribing to the Equity Shares (i) are each able to bear the economic risk of your investment in the Equity Shares; (ii) will not look to our Company and/or the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of their respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise; (iii) are able to sustain a complete loss on the investment in the Equity Shares; (iv) have no need for liquidity with respect to the investment in the Equity Shares; and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute;

- If you are acquiring the Equity Shares to be issued pursuant to the Issue for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and to make (and you hereby make) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;

- You are not a 'Promoter' (as defined under the SEBI Regulations) of our Company or any of its affiliates and are not a person related to the Promoter, either directly or indirectly and your application does not directly or indirectly represent the 'Promoter' or 'Promoter Group' of our Company or persons related to the Promoter;

- You agree that in terms of Section 42(7) of the Companies Act, 2013, we shall file the list of QIBs (to whom the Preliminary Placement Document has been circulated) along with other particulars and other filings required under the Companies Act, 2013 with the RoC and the SEBI within 30 days of circulation of the Preliminary Placement Document. You are aware that our Company shall make necessary filings with the RoC pursuant to the Allotment (which shall include certain details such as your name, address and number of Equity Shares Allotted to you);

- You have no rights under a shareholders' agreement or voting agreement with the Promoter or persons related to the Promoter, no veto rights or right to appoint any nominee director on our Board other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares, which shall not be deemed to be a person related to any of the Promoters of our Company;

- You will have no right to withdraw your Bid after the Bid/Issue Closing Date;

- You are eligible to Bid for and hold the Equity Shares Allotted to you together with any Equity Shares held by you prior to the Issue. Further, you confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable laws;

- The Bid made by you would not result in triggering an open offer under the Takeover Regulations;

- To the best of your knowledge and belief, the number of Equity Shares Allotted to you pursuant to the Issue, together with other Allottees that belong to the same group or are under common control shall not exceed 50% of the Issue. For the purposes of this representation:

  (a) the expression 'belong to the same group' shall derive meaning from the concept of 'companies under the same group' as provided in sub-section (11) of Section 372 of the Companies Act, 1956; and

  (b) 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the Takeover Regulations;

- You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for such Equity Shares are issued by the Stock Exchanges;

- You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1) of the SEBI Listing Regulations, for listing and trading of the Equity Shares to be issued pursuant to the Issue, on the Stock Exchanges, were made and an in-principle approval has been received by our Company from each of the Stock Exchanges; and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final approvals for listing and trading of such Equity Shares on the Stock Exchanges will be obtained in time or at all. Our Company shall not be responsible for any delay or non-receipt of such final approvals or any loss arising from such delay or non-receipt;

- You are aware and understand that the Book Running Lead Managers will have entered into a placement agreement with our Company whereby the Book Running Lead Managers has, subject to the satisfaction of certain conditions set out therein, agreed to manage the Issue and to procure subscriptions for the Equity Shares to be issued pursuant to the Issue, on the terms and conditions set forth therein;

- You understand that the contents of this Preliminary Placement Document are exclusively the responsibility of our Company, and neither the Book Running Lead Managers nor any person acting on its behalf has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By participating in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Book Running Lead Managers or our Company or any of their respective affiliates or any other person, and neither the Book Running Lead Managers nor our Company nor any other person will be liable for your decision to participate in the Issue based on any other information, representation, warranty or statement that you may have obtained or received;

- You understand that the Book Running Lead Managers and their affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by us or any of our respective obligations or any breach of any representations or warranties by us, whether to you or otherwise;

- You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws;

- If you are within the United States, you are a U.S. QIB who is, or are, acquiring the Equity Shares for your own account or for the account of an institutional investor who also meets the requirements of a U.S. QIB, for investment purposes only and not with a view to, or for resale in connection with, the distribution (within the meaning of U.S. securities laws) thereof, in whole or in part;

- If you are outside the United States, you are purchasing the Equity Shares in an "offshore transaction" within the meaning of Regulation S under the U.S. Securities Act;

- You are not our affiliate or a person acting on behalf of such an affiliate; and

- You are not acquiring or subscribing for the Equity Shares as a result of any general solicitation or general advertising (as those terms are defined in Regulation D under the U.S. Securities Act) or directed selling efforts (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, and the Equity Shares may not be eligible for resale under Rule 144A. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described under the sections "Selling Restrictions" and "Transfer Restrictions" on pages 202 and 209, respectively.

- You agree that any dispute arising out of in connection with the Issue will be governed by and construed in accordance with the laws of India, and the courts in Mumbai, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document;

- Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue;

- You agree to indemnify and hold our Company and the Book Running Lead Managers or their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts; and

- Our Company, the Book Running Lead Managers, their respective affiliates and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Book Running Lead Managers on their own behalf and on behalf of our Company, and are irrevocable.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, a FPI (other than a Category III foreign portfolio investors and unregulated broad based funds which are classified as Category II FPI by virtue of their investment manager being appropriately regulated), including the affiliates of the Book Running Lead Managers, may issue, subscribe or otherwise deal in offshore derivative instruments as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying and all such offshore derivative instruments are referred to herein as "**P-Notes**" for which they may receive compensation from the purchasers of such P-Notes. These P-Notes may be issued only in favour of those entities which are regulated by any appropriate foreign regulatory authorities in the countries of their incorporation or establishment subject to compliance with "know your client" requirements. An FPI must ensure that the P-Notes are issued in compliance with all applicable laws including Regulation 4 and Regulation 22 of the SEBI FPI Regulations and circular no. CIR/IMD/FIIC/20/2014 dated November 24, 2014 issued by SEBI. P-Notes have not been and are not being offered or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes, including, without limitation, any information regarding any risk factors relating thereto.

Any P-Notes that may be issued are not securities of our Company and do not constitute any obligations of, claim on, or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are solely the obligations of, third parties that are unrelated to our Company. Our Company and the Book Running Lead Managers do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Book Running Lead Managers and do not constitute any obligations of, or claims on, the Book Running Lead Managers. FPI affiliates (other than Category III FPI and unregulated broad-based funds which are classified as FPI by virtue of their investment manager being appropriately regulated) of the Book Running Lead Managers may purchase, to the extent permissible under law, Equity Shares in the Issue, and may issue P-Notes in respect thereof.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosure as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult with their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

Also see "Selling Restrictions" and "Transfer Restrictions" on page 202 and 209, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

(1) warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document;

(2) warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges; or

(3) take any responsibility for the financial or other soundness of our Company, its promoter, its management or any scheme or project of our Company,

and it should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'your', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investors', 'prospective investors' and 'potential investor' are to the QIBs, references to the 'Company' or the 'Issuer' are to our Company and references to 'we', 'us' or 'our' are to our Company together with the Subsidiary and the Associates on a consolidated basis.

In this Preliminary Placement Document, references to '₹', 'INR', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of India and to 'USD', 'U.S. Dollars' and 'US$' are to the legal currency of the United States. All references herein to 'India' are to the Republic of India and its territories and possessions and the 'Government' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable. All references herein to the 'US' or the 'U.S.' or the 'United States' are to the United States of America and its territories and possessions.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Our Company has presented certain numerical information in this Preliminary Placement Document in "lakhs" and "millions". One lakh represents 100,000 and one million represents 1,000,000. Financial statements annexed to the Preliminary Placement Documents have been presented in Lakhs.

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular 'financial year', 'Fiscal Year' or 'FY' are to the twelve month period ended on March 31 of that year and references to a particular 'year' are to the calendar year ending on December 31 of that year.

Our Company was required to prepare standalone and consolidated financial statements in accordance with IND AS for Fiscal 2017 (together with corresponding standalone and consolidated financial statements in accordance with IND AS for Fiscal 2016). Our historical audited standalone and consolidated financial statements for Fiscal 2015 and for Fiscal 2016 were originally prepared in accordance with Indian GAAP. IND AS varies in many respects from Indian GAAP and accordingly, our IND AS financial statements for Fiscal 2016 and Fiscal 2017 are not comparable with our historical Indian GAAP financial statements for Fiscal 2015 and 2016. Our audited standalone and consolidated financial statements (i) as of and for the fiscals ended March 31, 2016 and 2015 included herein have been prepared in accordance with Indian GAAP, and the Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 ("**Indian GAAP Audited Financial Statements**") and (ii) as of and for the fiscal ended March 31, 2017 and March 31, 2016, included herein have been prepared in line with the IND AS notified under the Companies Act, 2013, as amended read with the Companies (Indian Accounting Standards) Rules, 2015 ("**IND AS Rules**"), circular (no. CIR/CFD/FAC/62/2016) dated July 5, 2016 issued by SEBI ("**SEBI IND AS Circular**") and the requirements of SEBI Listing Regulations, each as applicable ("**Ind AS Audited Financial Statements**, together with the respective audit reports of our Auditor thereon.

Our IND AS Audited Financial Statements also include reconciliation statements of the effect of transition to IND AS from the Indian GAAP in accordance with IND AS 101- First time adoption of Indian Accounting Standard. The standalone and consolidated limited reviewed financial results for the six month ended September 30, 2017 and nine months ended December 31, 2017 included herein have been prepared in line with the IND AS Rules, SEBI IND AS Circular and the requirements of SEBI Listing Regulations, each as applicable. For details of key differences between Indian GAAP and Ind AS, see "Summary of Key Differences between Indian GAAP and Ind AS" on page 130.

The unaudited interim standalone and consolidated financial information for the six months ended September 30, 2017 and for the nine months ended December 31, 2017, subjected to a limited review by our statutory auditors, prepared in line with the IND AS Rules, SEBI IND AS Circular and the requirements of SEBI Listing Regulations, each as applicable ("**Ind AS Condensed Financial Statements**"), are included in this Preliminary Placement Document.

G.D. Apte & Co., Chartered Accountants have conducted limited review on the reviewed Ind AS Condensed Financial Statements as of and for the six months ended September 30, 2017 and for the nine months ended December 31, 2017 included in this Preliminary Placement Document, and Gokhale & Sathe, Chartered Accountants have conducted limited review on the reviewed Ind AS Condensed Financial Statements as of and for the six months ended September 30, 2016 and for the nine months ended December 31, 2016 included in this Preliminary Placement Document. The Ind AS Audited Financial Statements for Fiscal 2016 and Fiscal 2017, included in this Preliminary Placement Document, have been audited by Gokhale & Sathe, Chartered Accountants. The Indian GAAP Audited Financial Statements for Fiscal 2015, included in this Preliminary Placement Document, have been audited by Parikh Joshi & Kothare and BSR & Co and the Indian GAAP Audited Financial Statements for Fiscal 2016, included in this Preliminary Placement Document, have been audited by Gokhale & Sathe, Chartered Accountants and BSR & Co. LLP, Chartered Accountants.

Further, the degree to which the financial statements included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with the respective accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. For details of key differences between Indian GAAP and Ind AS, see "Summary of Key Differences between Indian GAAP and Ind AS" on page 130.

In this Preliminary Placement Document, certain monetary thresholds have been subjected to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

INDUSTRY AND MARKET DATA

Information included in this Preliminary Placement Document regarding market position, growth rates and other industry data pertaining to our businesses consists of estimates based on data reports compiled by government bodies, professional organisations and analysts, data from other external sources and knowledge of the markets in which we operate. Unless stated otherwise statistical information included in this Preliminary Placement Document pertaining to the various sectors in which we operate has been reproduced from trade, industry and government publications and websites. We confirm that such information and data has been accurately reproduced, and that as far as they are aware and are able to ascertain from information published by third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading.

This information is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organisations) to validate market-related analysis and estimates, and this we have relied on internally developed estimates.

Neither our Company, nor the Book Running Lead Managers have independently verified this data, and nor does our Company or the Book Running Lead Managers make any representation regarding the accuracy of such data. Similarly, while our Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and accordingly, neither our Company, nor the Book Running Lead Managers can assure the prospective investors as to their accuracy.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful is dependent on the reader's familiarity with and understanding of the methodologies used in compiling such data. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors" on page 55. Thus, neither our Company nor the Book Running Lead Managers can assure you of the correctness, accuracy and completeness of such data. Accordingly, investment decisions should not be based solely on such information.

Industry information has been included in this Preliminary Placement Document from "India Infrastructure Research - Road Development in India 2018" dated January 2018 prepared and issued by India Infrastructure Publishing Private Limited

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute 'forward-looking statements'. The prospective investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. These forward-looking statements contained in this Preliminary Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

1. Incurring substantial indebtedness and as a result may fail to obtain adequate financing or generate sufficient cash flow to meet significant capital expenditures and liquidity requirements;

2. Termination of, or reduction in revenue from, the Mumbai Entry Points Project from which our Company derives a significant portion of revenue;

3. Inconsistent increment in toll rates which would be in-sufficient to meet increased costs associated with such projects;

4. A lack of flexibility in managing our business or to use cash or other assets, owing to restrictive covenants under our financing agreements; and

5. Complete dependency on road projects in India, either undertaken or awarded by governmental authorities and other entities funded by the GoI or state governments and derivation of almost all of our revenues from contracts with a limited number of government entities.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under the sections "Risk Factors", "Industry Overview", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 56, 137, 156 and 91, respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, any future gains, losses or impact on net income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure the prospective investors that such expectations will prove to be correct. Given these uncertainties, the prospective investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and our Company or the Book Running Lead Managers undertake no obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited company incorporated under the laws of India. All the Directors and key managerial personnel of our Company named herein are resident citizens of India and a substantial portion of the assets of our Company and of such persons are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce against them judgments of courts outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Civil Procedure Code. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except:

(a) where the judgment has not been pronounced by a court of competent jurisdiction;

(b) where the judgment has not been given on the merits of the case;

(c) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;

(d) where the proceedings in which the judgment was obtained were opposed to natural justice;

(e) where the judgment has been obtained by fraud; and

(f) where the judgment sustains a claim founded on a breach of any law then in force in India.

Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. Under Section 14 of the Civil Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Each of the United Kingdom, Singapore and Hong Kong, amongst others has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a new suit upon the foreign judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws.

EXCHANGE RATE INFORMATION

Fluctuations in the exchange rate between the Rupee and the U.S. dollar will affect the U.S. dollar equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into U.S. dollar of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the U.S. dollar (in Rupees per U.S. dollar) based on the reference rates released by the RBI. No representation is made that the Rupee amounts actually represent such amounts in U.S. dollar or could have been or could be converted into U.S. Dollar at the rates indicated, any other rates, or at all.

As of March 22, 2018, the exchange rate (RBI reference rate) was ₹ 65.06 to US$ 1.00.

	(₹ Per US$)			
	Period end	**Average***	**High***	**Low***
Financial Year:				
2017	64.84	67.09	68.72	64.84
2016	66.33	65.46	68.78	62.16
2015	62.59	61.15	63.75	58.43
Quarter ended:				
December 31, 2017	63.93	64.74	65.55	63.93
September 30, 2017	65.36	64.29	65.76	63.63
June 30, 2017	64.74	64.46	65.04	64.00
March 31, 2017	64.84	67.00	68.23	64.84
Month ended:				
February 28, 2018	65.10	64.37	65.10	63.61
January 31, 2018	63.69	63.64	63.98	63.35
December 31, 2017	63.93	64.24	64.54	63.93
November 30, 2017	64.43	64.86	65.51	64.41
October 31, 2017	64.67	65.08	65.55	63.63
September 30, 2017	65.36	64.44	65.76	63.87

* *High low and average are based on of the official rate for each working day of the relevant period.*

(Source: www.rbi.org.in)

Note: If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day has been disclosed.

AVAILABLE INFORMATION

Our Company has agreed that, for so long as any Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, our Company will, during any period in which it is neither subject to Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the U.S. Securities Act, subject to compliance with the applicable provisions of Indian law.

DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein.

The following list of certain capitalised terms used in this Preliminary Placement Document is intended for the convenience of the reader/ prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further any references to any agreement, document, statute, rules, guidelines, regulations or policies shall include amendments made thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the sections "Statement of Tax Benefits" and "Financial Statements" on pages 218 and 244, respectively, shall have the meaning given to such terms in such sections.

Company Related Terms

Term	Description
our Company or MEP IDL	MEP Infrastructure Developers Limited registered under the Companies Act 1956, with its registered office at A 412, Boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri (East), Mumbai 400 072
AK CA	The Concession Agreement dated June 28, 2016 entered into between MEP Sanjose Arawali Kante Road Private Limited and the MoRTH
AK EPC	The EPC contract dated December 9, 2016 entered into between MEPIDL and MEP Sanjose Arawali Kante Road Private Limited.
AK EPC Contracts	AK EPC and a further amendment to AK EPC dated February 10, 2017
AK JBA	The joint bidding agreement dated March 17, 2016 entered into between MEPIDL and Sanjose India for the purpose of bidding in the RFP for HAM projects floated by the MoRTH
Arawali Kante Road Project	The project for development, operation and maintenance of four lane national highway under NHDP Phase – IV awarded by MoRTH for a period of 15 years to MEP Sanjose Arawali Kante Road Private Limited.
Articles / Articles of Association	Articles of association of our Company, as amended from time to time
Associates	KVM Technology Solutions Private Limited and SMYR Consortium LLP
Baramati Project	The project for construction of the four lane Sakhali bridge on Karha River in Baramati and maintenance of, and collection of toll for, the Ring Road and the bridges in Baramati, Maharashtra awarded by MSRDC for a period of 19 years and four months from October 25, 2010 and operated by BTPL
Board / Board of Directors	Board of directors of our Company or a duly constituted committee thereof
BOI	Bank of India
BTPL	Baramati Tollways Private Limited
Brijghat Project	Short term toll use fee collection project awarded to MEPIDL for a period between January 17, 2017 to January 16, 2018 by NHAI
Chennasumudram Project	Short term toll user fee collection project undertaken by MEPIDL commencing from September 4, 2017 to September 3, 2018, awarded by NHAI
Corporate Promoter	The corporate promoter of our Company, namely ITIPL
Delhi Entry Point Projects	The project for toll & environment compensation charge collection at 124 entry points to Delhi for a term of 5 years commencing from October 1, 2017
Director(s)	Director(s) on the Board of Directors of our Company
Equity Shares	Equity shares of our Company of face value of ₹10 each fully paid-up
Financial Statements	Indian GAAP Audited Financial Statements for Fiscal 2015 and Fiscal 2016, and the Ind AS Audited Financial Statements for Fiscal 2016 and Fiscal 2017 and the reviewed Ind AS Condensed Financial Statements

Term	Description
Group	Our Company, its Subsidiaries, its Joint Venture and its Associates
HAM / HAM Project(s)	Hybrid annuity mode projects commissioned by the relevant authority
Hyderabad-Bangalore Project	The project for maintenance of, and collection of toll, for the Hyderabad–Bangalore section of the National Highway No. 7 in Andhra Pradesh awarded by NHAI for a period of nine years from May 16, 2013 and operated by MEP HB
Ind AS Condensed Financial Statements	The unaudited interim standalone and consolidated financial information for the six months ended September 30, 2017 and for the nine months ended December 31, 2017, subjected to a limited review by our statutory auditors, prepared in line with the IND AS Rules, SEBI IND AS Circular and the requirements of SEBI Listing Regulations, each as applicable. The Ind AS Unaudited Condensed Interim Financial Statements includes the corresponding unaudited interim standalone and consolidated financial information for the six months ended September 30, 2016 and for the nine months ended December 31, 2016.
Ind AS Condensed Consolidated Financial Statements	The unaudited interim consolidated financial information for the six months ended September 30, 2017 and for the nine months ended December 31, 2017 subjected to a limited review by our statutory auditors, prepared in line with the IND AS Rules, SEBI IND AS Circular and the requirements of SEBI Listing Regulations, each as applicable. The Ind AS Unaudited Condensed Interim Financial Statements includes the corresponding unaudited interim consolidated financial information for the six months ended September 30, 2016 and for the nine months ended December 31, 2016.
Ind AS Audited Financial Statements	Audited financial statements under Ind AS for Fiscal 2016 and Fiscal 2017 prepared in line with the IND AS notified under the Companies Act, 2013, as amended read with the Companies (Indian Accounting Standards) Rules, 2015, circular (no. CIR/CFD/FAC/62/2016) dated July 5, 2016 issued by SEBI and the requirements of SEBI Listing Regulations, each as applicable
Ind AS Audited Consolidated Financial Statements	Audited consolidated financial statements under Ind AS for Fiscal 2016 and Fiscal 2017 prepared in line with the IND AS notified under the Companies Act, 2013, as amended read with the Companies (Indian Accounting Standards) Rules, 2015, circular (no. CIR/CFD/FAC/62/2016) dated July 5, 2016 issued by SEBI and the requirements of SEBI Listing Regulations, each as applicable
Indian GAAP Audited Financial Statements	Audited financial statements for Fiscal 2015 and 2016 prepared in accordance with Indian GAAP, and the Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013
Indian GAAP Audited Consolidated Financial Statements	Audited consolidated financial statements for Fiscal 2015 and 2016 prepared in accordance with Indian GAAP, and the Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013
IEPL	Ideal Energy Projects Limited
IIFCL	India Infrastructure Finance Company Limited
ITIPL	Ideal Toll & Infrastructure Private Limited
Kalyan Shilphata Project	The project for collection of toll at two toll plazas located at Katai and Gove on the Bhiwandi – Kalyan – Shilphata section of State Highway No. 40 in Maharashtra awarded by MSRDC for a period of 156 weeks until December 28, 2019 and operated by our Company
Kante Waked Road Project	The project for development, operation and maintenance of four lane national highway under NHDP Phase IV awarded by MoRTH for a period of 15 years to MEP Sanjose Kante Waked Road Private Limited
Key Management Personnel / KMPs	Key management personnel disclosed in the section "Our Board of Directors and Senior Management" on page 175
KW CA	The concession agreement dated June 28, 2016 entered into between MEP Sanjose Kante Waked Road Private Limited and the MoRTH
KW EPC	The EPC contract dated December 9, 2016 entered into between MEPIDL and MEP Sanjose Kante Waked Road Private Limited
KW EPC Contracts	KW EPC and a further amendment to KW EPC dated February 10, 2017
KW JBA	The joint bidding agreement dated March 17, 2016 entered into between MEPIDL and Sanjose India for the purpose of purpose of bidding in the RFP for HAM projects floated by the MoRTH

Term	Description
Long Term Project	A project operated by our Company or any of its Subsidiaries with an initial contractual term in excess of one year. A project with an initial contractual period of one year or less will not be considered a long term project even if its term has subsequently been extended to more than one year.
Mahuva Kagavadar Road Project	The project for development, operation and maintenance of four lane of Mahuva to Kagavadar section of national highway, awarded by NHAI for a period of 15 years to MEP Sanjose Mahuva Kagavadar Road Private Limited
Memorandum of Association	Memorandum of association of our Company, as amended from time to time
MEP Foundation	MEP Foundation
MEP HB	MEP Hyderabad Bangalore Toll Road Private Limited
MEP HS	MEP Highway Solutions Private Limited
MEP Infraprojects	MEP Infraprojects Private Limited
MEP NRR1	MEP Nagpur Ring Road 1 Private Limited
MEP NRR2	MEP Sanjose Nagpur Ring Road 2 Private Limited
MEP Nagzari	MEP Nagzari Toll Road Private Limited
MEP RBPL	MEP Roads & Bridges Private Limited
MEP RGSL	MEP RGSL Toll Bridge Private Limited
MEP Solapur	MEP IRDP Solapur Toll Road Private Limited
MSAKRPL	MEP Sanjose Arawali Kante Road Private Limited
MSKWRPL	MEP Sanjose Kante Waked Road Private Limited
MSTMRPL	MEP Sanjose Talaja Mahuva Road Private Limited
MSMKRPL	MEP Sanjose Mahuva Kagavadar Road Private Limited
MIPL	MEP Infrastructure Private Limited
MK CA	The concession agreement dated August 9, 2016 entered into between MEP Sanjose Mahuva Kagavadar Road Private Limited and the NHAI
MK EPC	The EPC contract dated June 21, 2017 entered into between MEPIDL and MEP Sanjose Mahuva Kagavadar Road Private Limited
MK EPC Contracts	MK EPC and a further amendment to MK EPC dated September 12, 2017
MK JBA	The joint bidding agreement dated April 6, 2016 entered into between MEPIDL and Sanjose India for the purpose of bidding in the RFP for HAM projects floated by the NHAI
MTIPL	MEP Toll & Infrastructure Private Limited
MTPL	MEP Tormato Private Limited
MTRPL	Mhaiskar Toll Road Private Limited
Mumbai Entry Points	The five entry points to Mumbai located at (i) Vashi on the Sion–Panvel Highway; (ii) Dahisar on the Western Express Highway corridor; (iii) Mulund on the Eastern Express Highway corridor; (iv) Mulund on the Lal Bahadur Shashtri Marg corridor; and (v) Airoli on the Airoli Bridge corridor
Mumbai Entry Points Contract	The contract dated November 19, 2010 entered into between our Company, ITIPL, MIPL and MSRDC in respect of the Mumbai Entry Points Project
Mumbai Entry Points Project	The project for operation and maintenance of, and collection of toll at, the Mumbai Entry Points along with 27 flyovers and certain allied structures on the Sion–Panvel Highway, the Western Express Highway corridor, the Eastern Express Highway corridor, the Lal Bahadur Shashtri Marg corridor and the Airoli Bridge corridor in Mumbai, Maharashtra awarded by MSRDC for a period of 16 years from November 20, 2010 and operated by MIPL
NRR 1 CA	The concession agreement dated May 19, 2016 entered into between MEP Nagpur Ring Road 1 Private Limited and the NHAI
NRR 1 EPC	The EPC contract dated October 13, 2016 entered into between MEPIDL and MEP Nagpur Ring Road 1 Private Limited
NRR1 EPC Contracts	NRR1 EPC and a further amendment to NRR1 EPC dated December 27, 2016

Term	Description
NRR 1 JBA	The joint bidding agreement dated March 9, 2016 entered into between MEPIDL and Sanjose India for the purpose of bidding in the RFP for HAM projects floated by the NHAI
NRR 1 Project	The project for development, operation and maintenance of four lane standalone Ring Road / bypass for Nagpur city package awarded by NHAI for a period of 15 years to MEP Nagpur Ring Road 1 Private Limited
NRR 2 CA	The concession agreement dated May 19, 2016 entered into between MEP Sanjose Nagpur Ring Road 2 Private Limited and the NHAI
NRR 2 EPC	The EPC contract dated October 13, 2016 entered into between MEPIDL and MEP Sanjose Nagpur Ring Road 2 Private Limited
NRR2 EPC Contracts	NRR2 EPC and a further amendment to NRR2 EPC dated December 27, 2016
NRR 2 JBA	The joint bidding agreement dated March 9, 2016 entered into between MEPIDL and Sanjose India for the purpose of bidding in the RFP for HAM projects floated by the NHAI
NRR 2 Project	The project for development, operation and maintenance of four lane standalone Ring Road / bypass for Nagpur city package awarded by NHAI for a period of 15 years to MEP Sanjose Nagpur Ring Road 2 Private Limited
Promoters	Promoters of our Company, namely Jayant D. Mhaiskar and ITIPL.
Registered Office / Corporate Office	The registered and corporate office of our Company, which is located at A 412, Boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri (East), Mumbai 400 072
Registrar of Companies/RoC	Registrar of Companies, Maharashtra at Mumbai
RGSL Project	The project for maintenance of, and collection of toll at the toll plaza at Bandra for, the Rajiv Gandhi Sea Link in Mumbai, Maharashtra awarded by MSRDC for a period of 156 weeks commencing from October 3, 2017 and operated by MEP RGSL
RTBPL	Rideema Toll Bridge Private Limited
RTIPL	Raima Toll & Infrastructure Private Limited
RTPL	Rideema Toll Private Limited
RTRPL	Raima Toll Road Private Limited
RVPL	Raima Ventures Private Limited
Sanjose India	Sanjose India Infrastructure & Construction Private Limited
Shareholders	Shareholders of our Company
Short Term Project	A project operated by our Company or any of its Subsidiaries with an initial contractual term of one year or less. A project with an initial contractual term of one year or less is considered to be a Short Term Project even if its term has subsequently been extended to more than one year.
Statutory Auditor	G. D. Apte & Co., Chartered Accountants
Subsidiaries	Subsidiaries of our Company namely, MIPL, RVPL, RTPL, BTPL, RTBPL, MEP Nagzari, MEP Solapur, RTRPL, MEP HB, MEP CB, MEP HS, MEP RGSL, RTIPL, MICPL, MEP Infraprojects, MEP RBPL, MTRPL, MTIPL, MEP NRR1, MEP NRR2, MSAKRPL, MSKWRPL, MSTMRPL, MSMKRPL, MEP Foundation and MTPL.
TM CA	The concession agreement dated July 8, 2016 entered into between MEP Sanjose Talaja Mahuva Road Private Limited and the NHAI
TM EPC	The EPC contract entered into between MEPIDL and MEP Sanjose Talaja Mahuva Road Private Limited
TM JBA	The joint bidding agreement dated April 6, 2016 entered into between MEPIDL and Sanjose India for the purpose of bidding in the RFP for HAM projects floated by the NHAI
Talaja Mahuva Project	The project for development, operation and maintenance of four lane of Talaja Mahuva section of NH 8E awarded by NHAI for a period of 15 years and operated by MEP Sanjose Talaja Mahuva Road Private Limited
Vidyasagar Setu Project	The project for collection of toll at the toll plaza located at the Vidyasagar Setu in West Bengal awarded by HRBC for a period of five years from September 1, 2013 and operated by RTBPL

Term	Description
We	The joint venture companies namely, MSAKRPL, MSKWRPL, MSMKRPL, MSTMRPL, NRR1 and NRR2

Issue Related Terms

Term	Description
Allocated/Allocation	The allocation of Equity Shares following the determination of the Issue Price to successful Bidders on the basis of the Application Form submitted by them, by our Company in consultation with the Book Running Lead Managers and in compliance with Chapter VIII of the SEBI Regulations
Allot/Allotment/Allotted	Unless the context otherwise requires, the issue and allotment of the Equity Shares to be issued pursuant to the Issue
Allottees	QIBs to whom the Equity Shares are issued and Allotted pursuant to the Issue
Application Form	The form (including any revisions thereof) pursuant to which a QIB shall submit a Bid for the Equity Shares in the Issue
Bid(s)	Indication of interest of a QIB, including all revisions and modifications thereto, as provided in the Application Form, to subscribe to the Equity Shares to be issued pursuant to the Issue
Bid/Issue Closing Date	[●], 2018, which is the last date up to which the Application Forms shall be accepted by our Company
Bid/Issue Opening Date	March 22, 2018 the date on which the acceptance of the Application Form shall commence by our Company
Bidder	Any prospective investor, being a QIB, who makes a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form
Bidding Period	The period between the Bid/Issue Opening Date and Bid/Issue Closing Date, inclusive of both dates, during which Bidders can submit their Bids, including any revision and/or modifications thereof
Book Running Lead Managers	ITI Capital Limited (formerly Inga Capital Limited) and First Global Finance Private Limited
CAN or Confirmation of Allocation Note	Note or advice or an intimation to successful Bidders confirming Allocation of the Equity Shares to such successful Bidders after determination of the Issue Price and requesting payment for the entire applicable Issue Price for all the Equity Shares Allocated to such successful Bidders
Closing Date	The date on which Allotment of the Equity Shares pursuant to the Issue shall be made, i.e. on or about [●], 2018
Designated Date	The date of credit of the Equity Shares to the successful Bidders demat account, as applicable to the respective successful Bidders
Escrow Account	The account titled "MEP Infrastructure Developers Limited – QIP - I Escrow Account" with regard to any money received towards the subscription to the Equity Shares, opened with the Escrow Bank, subject to the terms of the Escrow Agreement
Escrow Agreement	Agreement dated March 22, 2018, entered into amongst our Company, the Escrow Bank and the Book Running Lead Managers for collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	IDBI Bank Limited
Floor Price	The floor price of ₹81.49 per Equity Share (to be issued pursuant to the Issue) which has been calculated in accordance with Chapter VIII of the SEBI Regulations. In terms of the SEBI Regulations, the Issue Price cannot be lower than the Floor Price. Our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 85 of the SEBI Regulations
Issue	The offer, issue and Allotment of up to [●] Equity Shares to QIBs, each at a price of ₹ [●] per Equity Share, pursuant to Chapter VIII of the SEBI Regulations and the provisions of the Companies Act 2013
Issue Price	₹ [●] per Equity Share
Issue Size	The aggregate size of the Issue, which is up to ₹[●] million

Term	Description
Mutual Fund	A mutual fund registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mutual Fund Portion	10% of the Equity Shares proposed to be Allotted in the Issue, which is available for Allocation to Mutual Funds
Pay-in Date	The last date specified in the CAN for payment of application monies by the successful Bidders
Placement Agreement	Agreement dated March 22, 2018 entered into between our Company and the Book Running Lead Managers
Placement Document	The placement document to be issued by our Company in accordance with Chapter VIII of the SEBI Regulations and Section 42 of the Companies Act 2013
Preliminary Placement Document	This preliminary placement document dated March 22, 2018 issued in accordance with Chapter VIII of the SEBI Regulations and Section 42 of the Companies Act 2013
QIBs or Qualified Institutional Buyers	QIBs as defined in regulation 2(1)(zd) of the SEBI Regulations and not excluded pursuant to Regulation 86 of the SEBI Regulations, to whom this Preliminary Placement Document and the Application Form is circulated and who are eligible to bid and participate in the Issue. The Equity Shares are being offered and sold (a) in the United States only to persons who are U.S. QIBs pursuant to Section 4(a)(2) or another applicable exemption from registration under the U.S. Securities Act; and (b) outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. See "Issue Procedure", "Selling Restrictions" and "Transfer Restrictions" beginning on pages 190, 202 and 209, respectively.
QIP	Qualified institutions placement under Chapter VIII of the SEBI Regulations and the applicable provisions of the Companies Act 2013 and the rules issued thereunder
Relevant Date	March 22, 2018 which is the date of the meeting of the Board, or any committee duly authorised by the Board, deciding to open the Issue

Industry Related Terms

Term	Description
AVECL	Ahmedabad Vadodara Expressways Company Limited
BOOT	Build, Own, Operate and Transfer
BOT	Build, Operate and Transfer
BPC	Bid Project Cost
BTLO	Build-Transfer-Lease-Operate
BRO	Border Roads Organisation
COD	Commercial Operation Date
COS	Change of Scope
CPI	Consumer Price Index
CRF	Central Road Fund
DBFOT	Design, Build, Finance, Operate and Transfer
DBOT	Design, Build, Operate and Transfer
DIPP	Department of Industrial Policy and Promotion
EPC	Engineering, Procurement and Construction
ETC	Electronic Toll Collection
FC	Financial Close
GoI	Government of India
HAM	Hybrid Annuity Mode
HPBSMDA	Himachal Pradesh Bus Stand Management and Development Authority
HRBC	Hooghly River Bridge Commissioners
IE	Independent Engineer

Term	Description
IHMCL	Indian Highways Management Company Limited
LIE	Lender Independent Engineer
LOA	Letter of Award
MJPRCL	Mumbai – JNPT Port Road Company Limited
MoRTH	Ministry of Road Transport and Highways
MSRDC	Maharashtra State Road Development Corporation Limited
NHAI	National Highways Authority of India
NHDP	National Highway Development Programme
O&M	Operation and Maintenance services
OMT	Operate, Maintain and Transfer
PMGSY	Pradhan Mantri Gram Sadak Yojna
PMI	Price Multiple Index
POS	Point of Sale
PPP	Public Private Partnership
PROW	Project Right of Way
PWD	Public Works Department
RFID	Radio Frequency Identification
RFP	Request for Proposal
RIDCOR	Road Infrastructure Development Company of Rajasthan Limited
ROW	Right of Way
RSRDC	Rajasthan State Road Development & Construction Corporation Limited
SDMC	South Delhi Municipal Corporation
SPCD	Schedule Project Completion Date
SPV	Special Purpose Vehicle
TPC	Total Project Cost
VGF	Viability Gap Funding
WPI	Wholesale Price Index

Conventional and General Terms/Abbreviations

Term	Description
AGM	Annual general meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compounded annual growth rate
Category I Foreign Portfolio Investors	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as "Category III foreign portfolio investors" under the SEBI FPI Regulations
CBDT	Central Board of Direct Taxes
CDSL	Central Depository Services (India) Limited
CESTAT	Central Excise & Service Tax Appellate Tribunal

Term	Description
CIN	Corporate identity number
Client ID	Client identification number of the Bidder's beneficiary account
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Notified Sections
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director identification number
DP ID	Depository participant's identification
DP/Depository Participant	A depository participant as defined under the Depositories Act
EBITDA	Earnings before interest, tax, depreciation and amortisation
EGM	Extraordinary general meeting
EPS	Earnings per share
FCNR	Foreign currency non-resident
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder and amendments thereto
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FPI(s)	A foreign portfolio investor as defined under the SEBI FPI Regulations
Financial Year/Fiscal/FY/Fiscal Year	The period of 12 months ending March 31 of that particular year
GDP	Gross domestic product
GIR	General index register
GoI/Government	Government of India
GST	Goods and Service Tax
HUF	Hindu undivided family
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act/ I.T. Act	The Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015, as amended
Insurance Companies	Insurance companies registered with the IRDA
MICR	Magnetic ink character recognition
Mutual Funds	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
National Investment Fund	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India
NAV	Net asset value
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
Notified Sections	The sections of the Companies Act, 2013 that have been notified as having come into effect prior to the date of this Preliminary Placement Document
NR / Non-Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs and FVCIs
NRE Account	Non-resident external account

Term	Description
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	Per annum
P/E Ratio	Price/earnings ratio
PAS Rules	Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
PAN	Permanent account number
PAT	Profit after tax
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on net worth
₹/Rs./Rupees	Indian Rupees
Rule 144A	Rule 144A under the U.S. Securities Act
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SPV	Special Purpose Vehicle
State Government	The government of a State in India
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
UK	United Kingdom
U.S. / United States / USA	United States of America
U.S. QIB	Qualified institutional buyers as defined in Rule 144A under the U.S. Securities Act
U.S. Securities Act	The United States Securities Act of 1933, as amended
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America

Term	Description
USD / US$	United States Dollars
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be

DISCLOSURE REQUIREMENTS UNDER FORM PAS-4 PRESCRIBED UNDER THE COMPANIES ACT 2013

The disclosure requirements as provided in Form PAS-4 and the relevant pages in this Preliminary Placement Document where these disclosures, to the extent applicable, are provided below:

Sr. No.	Disclosure Requirements	Relevant Page of this Preliminary Placement Document
1.	**GENERAL INFORMATION**	
a.	Name, address, website and other contact details of the company indicating both registered office and corporate office.	Cover page and page number 247
b.	Date of incorporation of the company.	Cover page and page number 242
c.	Business carried on by the company and its subsidiaries with the details of branches or units, if any.	156
d.	Brief particulars of the management of the company.	175
e.	Names, addresses, DIN and occupations of the directors.	175 to 177
f.	Management's perception of risk factors.	56
g.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:	239 to 240
(i)	Statutory dues;	239 to 240
(ii)	Debentures and interest thereon;	N.A.
(iii)	Deposits and interest thereon; and	N.A.
(iv)	Loan from any bank or financial institution and interest thereon.	239 to 240
h.	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process.	Cover page and 247
2.	**PARTICULARS OF THE OFFER**	
a.	Date of passing of board resolution.	34
b.	Date of passing of resolution in the general meeting, authorising the offer of securities.	34
c.	Kinds of securities offered (i.e. whether share or debenture) and class of security.	Cover page
d.	Price at which the security is being offered including the premium, if any, along with justification of the price.	Cover page
e.	Name and address of the valuer who performed valuation of the security offered.	NA
f.	Amount which the company intends to raise by way of securities.	Cover page
g.	Terms of raising of securities:	
(i)	Duration, if applicable;	NA
(ii)	Rate of dividend;	
(iii)	Rate of interest;	
(iv)	Mode of payment; and	
(v)	Repayment.	
h.	Proposed time schedule for which the offer letter is valid.	20
i.	Purposes and objects of the offer.	87
j.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	NA
k.	Principle terms of assets charged as security, if applicable.	NA
3.	**DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.**	
a.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	183

Sr. No.	Disclosure Requirements	Relevant Page of this Preliminary Placement Document
b.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	239
c.	Remuneration of directors (during the current year and last three financial years).	178 - 180
d.	Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided.	185
e.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.	121
f.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the company and all of its subsidiaries.	NA
g.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.	NA
4.	**FINANCIAL POSITION OF THE COMPANY**	
a.	The capital structure of the company in the following manner in a tabular form:	
(i)(a)	The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	89
(b)	Size of the present offer;	89
(c)	Paid up capital:	89
(A)	After the offer;	89
(B)	After conversion of convertible instruments (if applicable); and	NA
(d)	Share premium account (before and after the offer).	89
(ii)	The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.	89
	Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.	NA
b.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter.	36
c.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid).	90, 119
d.	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of offer letter.	39
e.	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter.	40
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	115

Sr. No.	Disclosure Requirements	Relevant Page of this Preliminary Placement Document
5.	**A DECLARATION BY THE DIRECTORS THAT**	
a.	The company has complied with the provisions of the Act and the rules made thereunder.	245
b.	The compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government.	245
c.	The monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter.	245

SUMMARY OF BUSINESS

Overview

Founded in 2002, by promoters Mr. Dattatray Mhaiskar and Mr. Jayant Mhaiskar, we commenced our business with the collection of toll under the Mumbai Entry Points Project, which we now continue to operate as an OMT project pursuant to a re-award. We have grown to be a significant player in our business verticals: HAM, OMT and toll collection projects in India. We are an integrated road infrastructure company and as of December 31, 2017, we were executing six HAM projects, three OMT projects, three Long Term Toll Collection Projects, two Short Term Toll Collection projects and one BOT project. Our business operations broadly involve (i) toll collection through Long Term and Short Term toll collection, OMT and BOT projects; and (ii) construction activities through HAM projects.

Our ongoing projects are located across seven states in India. We have experience of over 15 years and as of December 31, 2017, we had successfully executed 133 projects and completed 119 projects including 221 toll plazas and 1,385 lanes across 15 states in India.

As of December 31, 2017, we (i) operated five toll collection projects, of which three were Long Term Toll Collection projects and two were Short Term Toll Collection projects, with an aggregate of 129 toll plazas across five states in India; and (ii) operated three OMT projects covering 1,182.38 lane kilometres with an aggregate of nine toll plazas.

Our projects are awarded to us through a competitive bidding process (electronic bidding in some cases) and upon fulfilment of prescribed pre-qualification criteria. Tenders for our toll collection projects and OMT projects are submitted on the basis of traffic volume and revenue forecasting undertaken by us through in-house surveys. We generate revenue from toll collection and OMT projects through collection of toll from commuters. Our toll collection and OMT projects have been awarded to us by statutory corporations or government companies that include NHAI, MSRDC, RSRDC, RIDCOR, MJPRCL, SDMC and HRBC. The tenders for our HAM projects are submitted on the basis of preliminary investigations and engineering surveys of the project site undertaken by consultants and estimation of construction and operations & maintenance ("O&M") costs for assessing project viability. We propose to generate revenue from the HAM projects in the form of revenue for construction during the construction period, followed by annuity receipts over subsequent periods, in terms of the concession agreement, either by MoRTH or the NHAI.

Our portfolio of ongoing toll collection projects includes both Long Term (of an initial term in excess of one year) and Short Term (of an initial term of one year or lesser) projects. Our Long Term Toll Collection projects are the Delhi Entry Points Projects in Delhi for a period five years until October 1, 2022, Vidyasagar Setu Project in West Bengal for a period of five years until September 1, 2018 and the Kalyan-Shilphata Project in Mumbai for a period of 156 weeks until December 28, 2019. As of December 31, 2017, we were operating two Short Term Toll Collection Projects, namely Chennasamudram and Brijghat in Tamil Nadu and the Uttar Pradesh, respectively. Subsequently, our Brijghat project concluded on January 16, 2018 and our Chennasamudram project will conclude on September 3, 2018.

Our ongoing OMT projects include the Mumbai Entry Points Project, which is our largest OMT project on the basis of revenue, which involves collection of toll, operation and maintenance of the five entry points, 27 flyovers and certain allied structures in Mumbai for a period of 16 years until 2026. We also operate the RGSL Project which involves toll collection and maintenance. We have been collecting toll at the RGSL since its opening in 2009 pursuant to Short Term contracts and entered into an OMT contract in January 2014, for three years. The OMT contract was re-awarded to our Company in June 2017. Our other OMT project is the Hyderabad-Bangalore Project for which we have the right to collect toll at, and maintain, the road forming part of such project for a period of nine years until 2022.

We also operate a BOT project, being the Baramati Project under which we constructed the four-lane Sakhali Bridge on Karha River in Baramati, Maharashtra, and are currently entitled to maintain and collect toll at the roads and bridges in Baramati for a period of 19 years and four months until 2030.

Our Company has also recently entered into the HAM segment through a strategic collaboration with Sanjose India Infrastructure & Construction Private Limited ("**Sanjose India**"). Pursuant to the strategic collaboration, we have formed certain joint venture companies (the "**HAM JV Companies**") for the purpose of bidding in the tenders in relation to HAM projects. As of October 2017, 58 national highway projects (including HAM project awarded by NHAI) with an aggregate length of approximately 3,700 km and costing around ₹ 613,000 million were awarded under HAM. Additionally, many more projects are in advanced stages of bidding. Between January 2016 and December 2017, nine HAM-based projects achieved financial closure *(Source: India Infrastructure Report)*. As of December 31, 2017, we have been awarded six HAM projects covering 1,060 lane kilometres of which, four HAM projects are in Maharashtra, namely Arawali Kante Project, Kante Waked Project, Nagpur Package I Road Project ("**NRR 1 Project**") and Nagpur Packed II Road Project ("**NRR 2 Project**") and two HAM projects are in Gujarat, namely Talaja Mahuva Project and Mahuva Kagavadar Project. All six HAM projects have achieved their respective financial closure and the construction works have commenced for all six HAM projects. Under our existing portfolio of HAM projects, the Arawali Kante Project and Kante Waked Project have been awarded by the MoRTH, while the remaining HAM project has been awarded by the NHAI.

For the execution of our EPC contracts under HAM projects, we have procured high-end equipment from domestic as well as international suppliers, such as high capacity crushers, slip form pavers, concrete batching plants, high capacity tippers and slip form concrete pavers. We also outsource post-bid studies to engineering consultants and also undertake value engineering on the optimized design quantities for the purpose of qualitative construction at an optimized cost. For further information, see "Post-bid Engineering Studies and the Execution of HAM Projects" below.

We use advanced technology for the operation of our projects which helps in improving operational efficiency and ensuring transparency in the process of toll collection. In August 2012, we launched an electronic toll collection ("**ETC**") system based on RFID technology which was implemented at all toll plazas in RGSL, Mumbai. As of December 31, 2017 the RFID technology based ETC system had been implemented at the RGSL toll plaza at the Vidyasagar Setu Project, the three toll plazas of the Hyderabad Bangalore Project and at all five toll plazas forming part of the Mumbai Entry Points Project. In addition, we also use weight-based tolling system for our OMT contracts with NHAI through devices that are designed to capture and record axle weights and gross vehicle weights as vehicles drive over a measurement site.

A consortium formed by our Company, KENT Intelligent Transportation Systems India Private Limited and Vishwakarma Scales Private Limited (the "**KVM Consortium**"), has been awarded two projects by IHMCL for providing toll management systems including weigh-in-motion technology, CCTV surveillance and static weigh bridge at the toll plazas of public funded NHAI projects situated in the northern areas of India, namely, Punjab and Uttar Pradesh ("**North Zone**") and in the southern areas of India, namely, Karnataka, Tamil Nadu, Telangana and Andhra Pradesh ("**South Zone**").

The following table sets out the revenue mix of our ongoing projects for the periods indicated:

Revenue mix	Fiscal 2017	As a Percentage of Total Revenue	Nine months ended December 31, 2017	As a Percentage of Total Revenue
	(₹ million)	(%)	(₹ million)	(%)
OMT Projects	8,368.71	48.40%	5,637.41	36.47%
Short Term toll projects	6,481.14	37.48%	1,421.47	9.20%
Long Term toll projects, BOT and other projects	1,807.14	10.45%	4,106.36	26.56%
EPC/ HAM projects	633.69	3.67%	4,292.54	27.77%
Total	**17,290.68**	**100%**	**15,457.78**	**100%**

Competitive Strengths

Established position across business verticals with a strong track record

We commenced our operations with a single contract of toll collection under the Mumbai Entry Points Projects in 2002, and have grown to be a significant player across in our business verticals of HAM, OMT and toll collection projects. We have a track record of executing over 100 toll collection projects in India with significant presence in the tolling business. In addition to being a recognized as a key player in the toll collection and OMT business, we are one of the key players in the HAM segment *(Source: India Infrastructure Report*). We have successfully achieved financial closure of all six HAM Projects awarded to us, and have commenced construction work for all six HAM projects. In addition, three of our HAM Projects namely, NRR 1 Project, NRR 2 Project and Mahuva Kagavadar Project, have achieved their respective first payment milestones in a timely manner.

Robust portfolio of diversified assets ensuring visibility of long term revenues

We have a strong portfolio of long term assets that indicates steady cash-flows over the next five years. The diversified mix of projects helps us in diversifying our risk profile and dependence on particular type of contracts. Our mix of Long Term Toll Collection projects, OMT projects, BOT project and HAM projects, ensures sustainability of the business while the Short Term projects generate near term revenue.

The following table sets out the revenue mix of our ongoing projects for the periods indicated:

Revenue mix	Fiscal 2017	As a Percentage of Total Revenue	Nine months ended December 31, 2017	As a Percentage of Total Revenue
	(₹ million)	(%)	(₹ million)	(%)
OMT Projects	8,368.71	48.40%	5,637.41	36.47%
Short Term toll projects	6,481.14	37.48%	1,421.47	9.20%

Revenue mix	Fiscal 2017	As a Percentage of Total Revenue	Nine months ended December 31, 2017	As a Percentage of Total Revenue
	(₹ million)	(%)	(₹ million)	(%)
Long Term toll projects, BOT and other projects	1,807.14	10.45%	4,106.36	26.56%
EPC/ HAM projects	633.69	3.67%	4,292.54	27.77%
Total	**17,290.68**	**100%**	**15,457.78**	**100%**

Integrated business model with dedicated in-house capabilities

We have an in-house development and execution team which undertakes studies in advance for project evaluation, preparation of necessary tendering documents for all the bids and for undertaking execution of projects. Our ability to evaluate new projects and tender effectively, for HAM projects, toll collection and OMT projects, is strengthened by the in-house traffic study and revenue forecasting ability for toll collection and OMT projects, and an in-house team experienced in conducting engineering surveys and evaluating construction and O&M costs, for ascertaining the viability of a project in relation to HAM projects. Forecasting is enhanced through using various traffic estimation techniques, maintaining a historical data bank and refreshing the data periodically. The final revenue model created is discussed and finalized by the senior management for bidding purposes. Further, we have in-house experts with significant experience for supporting and managing all EPC and maintenance related contracts.

We believe we have developed an integrated business model that is self-sustainable and efficient so as to eliminate any external dependencies and hence minimize operational inefficiencies.

Experienced management and execution team

Our senior management team comprises of professionals having extensive experience in the industry. We strongly benefit from our experienced Promoters and Key Management Personnel who handle various departments of our Company and our business. We leverage the understanding and experience of our senior management in successfully managing our operations which has facilitated the growth of our business.

Further, our joint venture partner for HAM projects, the Sanjose group, is a multinational diversified company present across several countries.

Well positioned to capitalise on industry opportunities

The government's focus on the road sector provides multiple business opportunities to us. We believe we are well-positioned to successfully participate in future opportunities having garnered requisite experience in the EPC business in addition to our expertise in tolling operations.

The MoRTH targets the construction of approximately 15,000 km of national highways during fiscal 2018. Plans are also in place to award 50,000 km of projects worth approximately ₹ 5-6 trillion in the next two years. Mega projects such as Bharatmala, Setu Bharatam and Char Dham Connectivity, and the development of economic corridors are likely to provide significant opportunities in the sector. The GoI has also identified 2,000 km of coastal roads to improve connectivity between ports and remote villages. (*Source*: *India Infrastructure Report*)

In addition, a new toll-operate-transfer ("**TOT**") model has been introduced for efficient monetization of existing toll roads. We believe we have an early mover advantage for such model as we have been operating toll collection at the Mumbai Entry Points Projects since 2002.

Under the first TOT bundle, nine operational highway projects worth approximately ₹ 62.58 billion have been put on the block which includes three projects in Gujarat (approximately 240 km) and six projects in Andhra Pradesh (approximately 442 km). In addition, the Bharatmala Pariyojana has been approved for providing seamless connectivity to interior, backward and border areas of the country. It envisages the development of around 35,000 km under Phase I at an estimated cost of ₹ 5,350 billion. Further, the Bharatmala Pariyojana envisages the development of 84,000 km of national highways by 2022. Recently, the GoI has announced road improvement and national highway projects worth ₹ 900 billion in the states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. Of the total investment, ₹ 600 billion has been proposed under the Special Accelerated Road Development Programme for North-Eastern region ("SARDP-NE") programme and ₹ 300 billion under the Bharatmala Pariyojana. The projects are expected to be implemented by fiscal 2021. (*Source*: *India Infrastructure Report*)

Use of advanced technology for revenue optimization and increasing operational efficiencies

The business of toll collection involves two key factors: operational efficiency and revenue optimization. We believe we use advanced technologies to maximize both effectively. The business of toll collection in cash makes it imperative to have control systems in place to monitor leakages. There are a large number of cameras installed for all our projects across India. We have commissioned a centralized control room at our Airoli office, in Mumbai, at our Delhi Entry Points Projects office, in Delhi and at our RGSL Project Office, in Mumbai, to consolidate camera feeds from all the respective toll plazas to enable 24x7 video-based monitoring of toll operations.

We have commissioned automatic vehicle identification based in-road/ infrared sensors and counting mechanism in an effort to automate forecasting activities and minimize leakages. As part of the prepaid mode of toll collection, we use smart cards as well as RFID technology based tags that are mounted on the windshield of the particular vehicle. These enable faster traffic clearance at toll plazas. The RFID technology based ETC system senses the tag mounted on the windshield of the user's vehicle and deducts the toll fee from the prepaid amount as per the toll fee notification of the project. We have implemented an RFID technology based ETC system at the RGSL toll plaza in Mumbai, the Vidyasagar Setu Project, the toll plazas of the Hyderabad Bangalore Project and the toll plazas forming part of the Mumbai Entry Points Project. We also have the smart card based ETC system which enables the users to make payments through prepaid smart cards at some of our projects including, the Mumbai Entry Points Project, Hyderabad-Bangalore Project, RGSL Project and the Kalyan-Shilphata Project. ETC systems reduce cash management resulting in revenue enhancement as well as improved transparency in the amount of toll collected. ETC systems also help in reducing the clearing time for vehicles at the toll stations thereby improving operational efficiency.

For the purpose of identifying categories of vehicles and to charge an appropriate toll rate, automatic vehicle identification based in-road/ infrared sensors are also used. We also use weigh-in-motion technology for projects where weight based toll collection is required. Our weight based tolling systems, namely static weigh bridge and weight in motion systems, are integrated with the semi-automatic toll collection system for enhanced revenue controls.

For the execution of our EPC contracts under HAM projects, to achieve qualitative construction, we have procured high-end equipment from domestic as well as international suppliers, including high capacity crushers, slip form pavers, concrete batching plants, high capacity tippers and slip form concrete pavers.

In addition to strengthening our field operations, we have also adopted software to equip our head office team comprising planning engineers, quantity surveyors and procurement managers to achieve accurate job results in a relatively short period of time. We have also implemented a sourcing solution to facilitate cost efficiencies in material and equipment purchase. We also use other software for effective estimation of earthwork quantities.

Business Strategies

Consolidate established position across our business verticals

We continue to selectively bid for projects across our verticals, based on viability and ensure profitability. With the GoI's recent initiatives including the Bharatmala programme, we believe, there will be significant growth opportunities in the road sector. With our portfolio of diversified projects and integrated operations, we believe that we are well positioned to successfully bid and acquire a significant share of future projects. We remain focused on bidding only for viable projects, based on careful assessment including pre-bid engineering studies for HAM projects, our traffic survey methodology and revenue forecasting for tolling OMT projects and BOT project as well as technical evaluation of such projects.

Develop a robust order book

We believe that Long Term projects will be the driving factor for the growth and expansion of our business in the future. We intend to continue to develop a robust order-book of Long Term tolling projects and add to our existing portfolio of OMT and HAM projects, to ensure steady revenues and profitability. As of December 31, 2017, we have completed 119 projects which includes 221 toll plazas and 1,385 lanes. In line with our strategy to build a strong order book of Long Term projects, we have added the Delhi Entry Points project that is for a period five years until October 1, 2022. We intend to build on revenue and profit visibility for the medium term and further focus on future growth drivers. We intend to create significant opportunities with Long Term projects that we believe will yield results over the next few years allowing us to tap potential growth opportunities. We have developed a robust order book which provides visibility of steady cash flows over the next five years, thereby allowing our team to identify, evaluate and undertake Long Term projects, to further strengthen our order book and lower our dependence on Short Term projects.

Further strengthen our EPC capabilities and our integrated operational structure

We intend to further strengthen our integrated operational structure present across the value chain. We intend to eliminate operational dependencies and strengthen economic efficiencies.

Under the guidance of our experienced management team, we intend to strengthen our EPC capabilities in order to capitalise on future growth opportunities in the roads sector. Following our HAM projects experience, we have developed significant EPC capabilities. We have also entered into various collaborations and joint ventures with domestic and foreign entities to leverage operational synergies in order to participate in future business opportunities, including diversified EPC opportunities, thereby targeting a larger market share.

To improve our margins and operating efficiency, we continuously look to manage the costs associated with our projects and secure funding in a timely manner. We intend to continue to focus on improving our margins by strengthening our internal processes and systems to achieve optimal utilization of our resources. We aim to manage our equipment and our human resources in an efficient manner to achieve cost efficiencies in the execution of our projects. We maintain a centralized procurement department for major raw materials to achieve economies of scale and have a dedicated project execution team that monitors the development process of projects to implement best practices across our projects. In addition, we have also implemented a company-wide information management system which allows us to respond to exigencies in a quick and efficient manner.

Continue to implement and leverage advanced technology

We use advanced technology for the operation of our projects which helps in improving operational efficiencies and ensuring transparency in the process of toll collection. Even for the execution of our HAM projects, while we have been proficient in implementation of latest technological equipment across our tolling as well as construction projects, we have procured high-end equipment from domestic as well as international suppliers. We intend to adopt further technical advancement and upgrades in our ongoing operations that leads to a reduction in dependence on manpower while ensuring operational efficiencies and revenue enhancement.

Enhance our project execution capabilities

We intend to continue to focus on performance and project execution in order to ensure completion of our projects on or ahead of schedule thereby allowing us improved margins and client satisfaction. We intend to leverage project management tools to increase productivity and maximize asset utilization in capital intensive activities. We will also look to optimize operating and overhead costs to maximize our operating margins. We believe our management strength and in-house development, construction, operation and maintenance capabilities will allow us to strengthen our execution capabilities. As part of our focus on project execution, we intend to focus on health, safety and environmental management and quality management standards as we believe these are critical for prequalification of contractors by potential clients.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including the sections "Risk Factors", "Use of Proceeds", "Placement", "Issue Procedure" and "Description of the Equity Shares" on pages 55, 87, 200, 190 and 215, respectively.

Issuer	MEP Infrastructure Developers Limited
Face Value	₹ 10 per Equity Share
Issue Price	₹ [●] per Equity Share
Floor Price	₹81.49 per Equity Share, calculated in accordance with Regulation 85 under Chapter VIII of the SEBI Regulations. However, our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 85 of the SEBI Regulations.
Issue Size	Issue of up to [●] Equity Shares, aggregating up to ₹ [●] million. A minimum of 10% of the Issue Size i.e. [●] Equity Shares, shall be available for Allocation to Mutual Funds only and up to [●] Equity Shares should be available for Allocation to all QIBs, including Mutual Funds. If no Mutual Fund is agreeable to take up the minimum portion mentioned above, such minimum portion or part thereof may be Allotted to other QIBs.
Authority for the Issue	The Issue has been authorised by our Board on May 25, 2017 and the shareholders of our Company pursuant to the resolution dated July 27, 2017, passed at the AGM.
Eligible Investors	QIBs as defined in regulation 2(1)(zd) of the SEBI Regulations and not excluded pursuant to Regulation 86 of the SEBI Regulations, to whom this Preliminary Placement Document and the Application Form is circulated and who are eligible to bid and participate in the Issue. The Equity Shares are being offered and sold (a) in the United States only to persons who are U.S. QIBs pursuant to Section 4(a)(2) or another applicable exemption from registration under the U.S. Securities Act; and (b) outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. See the sections "Issue Procedure", "Selling Restrictions" and "Transfer Restrictions" beginning on pages 190, 202 and 209, respectively. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered, shall be determined by the Book Running Lead Managers in consultation with our Company, at its sole discretion. Please see sections "Issue Procedure –Qualified Institutional Buyers", "Selling Restrictions" and "Transfer Restrictions" on pages 193, 202 and 209, respectively of this Preliminary Placement Document.
Equity Shares issued and outstanding immediately prior to the Issue	162,569,191 Equity Shares
Equity Shares issued and outstanding immediately after the Issue	[●] Equity Shares
Listing	Our Company has obtained in-principle approvals dated March 22, 2018 in terms of Regulation 28(1) of the SEBI Listing Regulations from the Stock Exchanges, for listing of the Equity Shares issued pursuant to the Issue. Our Company will make applications to each of the Stock Exchanges after Allotment to obtain final listing and trading approval for the Equity Shares after the Allotment and after the credit of the Equity Shares to the beneficiary account of the Depository Participant, respectively.

Lock-up	For details in relation to lock-up, see "Placement – Lock-up" on pages 200 to 201 for a description of restrictions on our Company in relation to the Equity Shares.	
Minimum Issue Size	The minimum value of offer or invitation to subscribe for each QIB is ₹[●] calculated at the face value of the Equity Shares	
Transferability Restrictions	The Equity Shares to be issued pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. See "Transfer Restrictions" on page 209.	
Use of Proceeds	The gross proceeds from the Issue will be approximately ₹ [●] million. The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, will be approximately ₹ [●] million. See "Use of Proceeds" on page 87 for additional information regarding the use of net proceeds from the Issue.	
Risk Factors	See "Risk Factors" on page 55 for a discussion of risks you should consider before investing in the Equity Shares.	
Pay-In Date	Last date specified in the CAN sent to the QIBs for payment of application money.	
Closing	The Allotment of the Equity Shares pursuant to the Issue is expected to be made on or about [●].	
Ranking	The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* with the existing Equity Shares of our Company, including in respect of voting rights and dividends. The holders of Equity Shares (as on the record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act 2013, the SEBI Listing Regulations and other applicable laws and regulations. Equity shareholders may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act 2013. For further details, see "Dividends" and "Description of the Equity Shares" on pages 90 and 215, respectively.	
Minimum Offer Size	The minimum value of offer or invitation to subscribe to each Eligible QIB is ₹ 20,000 of the face value of the Equity Shares	
Security Codes for the Equity Shares	ISIN	INE776I01010
	BSE Code	539126
	NSE Code	MEP

SELECTED FINANCIAL INFORMATION

The following selected financial data as of and for the Fiscals 2017, 2016 and 2015 has been derived from the standalone and consolidated financial statements of our Company included elsewhere in this Preliminary Placement Document. The summary statement of profit and loss statement for the six months ended September 30, 2017 and nine months ended December 31, 2017 is derived from the limited review standalone unaudited financial results of our Company. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Statements", on pages 91 and 244, respectively, for further details. The financial information included in this Preliminary Placement Document does not reflect our Company's results of operations, financial position and cash flows for the future, and its past operating results are no guarantee of its future operating performance.

A. ***STANDALONE BASIS***

Statement of Profit and Loss for the nine months period ended December 31, 2017 and December 31, 2016 under Ind AS

	Particulars	**Nine months period ended December 31, 2017 (Ind AS)**	**Nine months period ended December 31, 2016 (Ind AS)**
		(Rs. in millions)	**(Rs. in millions)**
I	Revenue from operations	9,305.00	5,540.91
II	Other income	82.46	253.64
III	**Total Income (I + II)**	**9,387.46**	**5,794.55**
IV	**Expenses**		
	Operating and maintenance expenses	7,256.52	521.95
	Employee Benefits Expenses	285.74	235.94
	Finance costs	371.42	453.07
	Depreciation and amortisation expense	938.51	4,291.00
	Other expenses	225.54	138.14
	Total Expenses (IV)	**9,077.73**	**5,640.10**
V	**Profit before tax (III-IV)**	**309.73**	**154.45**
VI	**Income Tax expense**		
	Current tax		
	For current year	105.30	42.80
	For earlier years	(28.59)	(1.63)
	Deferred tax	2.04	12.61
	Total tax expense	**78.75**	**53.78**
VII	**Profit from continuing operations (V-VI)**	**230.98**	**100.67**
VIII	**Other Comprehensive Income/(loss) from continued operations**		
A	(i) Items that will not be reclassified to profit or loss Remeasurement of defined benefit obligations	(3.06)	(1.05)
	(ii) Income tax relating to above items that will not be reclassified to profit or loss	1.06	0.36
	Other Comprehensive Income/(loss) from continued operations (Net of tax)	**(2.00)**	**(0.69)**
IX	**Total Comprehensive Income/(loss) from continued operations (VII+VIII) (Comprising Profit and Other Comprehensive Income for the period)**	**228.98**	99.98
	Basic and diluted earnings per share (Rs.)	**1.42**	**0.62**

Statement of Profit and Loss for the six months period ended September 30, 2017 and September 30, 2016 under Ind AS

	Particulars	Six months ended September 30, 2017 (Ind AS) (Rs. in millions)	Six months ended September 30, 2016 (Ind AS) (Rs. in millions)
I	Revenue from operations	3,993.18	3,789.11
II	Other income	57.04	203.86
III	**Total Income (I + II)**	**4,050.22**	**3,992.97**
IV	**Expenses**		
	Operating and maintenance expenses	2,821.66	164.38
	Employee Benefits Expenses	150.48	155.69
	Finance costs	242.27	313.71
	Depreciation and amortisation expense	568.50	3,156.24
	Other expenses	123.90	80.88
	Total Expenses (IV)	**3,906.81**	**3,870.91**
V	**Profit before tax (III-IV)**	**143.40**	**122.06**
VI	**Income Tax expense**		
	Current tax		
	For current year	46.40	34.30
	For earlier years	(28.59)	(1.63)
	Deferred tax	3.03	8.44
	Total tax expense	**20.84**	**41.11**
VII	**Profit from continuing operations (V-VI)**	**122.56**	**80.95**
VIII	**Other Comprehensive Income/(loss) from continued operations**		
A	Items that will not be reclassified to profit or loss		
	Remeasurement of defined benefit obligations	(2.04)	(0.70)
	Income tax relating to above items that will not be reclassified to profit or loss	0.71	0.24
	Other Comprehensive Income/(loss) from continued operations (Net of tax)	**(1.33)**	**(0.46)**
IX	**Total Comprehensive Income/(loss) from continued operations (VII+VIII) (Comprising Profit and Other Comprehensive Income for the period)**	**121.23**	**80.50**
	Basic and diluted earnings per share (Rs.)	**0.75**	**0.50**

Statement of Profit and Loss for the Fiscal 2017 and Fiscal 2016 under Ind AS

	Particulars	Fiscal 2017 (Ind AS) (Rs. in millions)	Fiscal 2016 (Ind AS) (Rs. in millions)
I	Revenue from operations	7,808.43	6,953.33
II	Other income	291.57	447.56
III	**Total Income (I + II)**	**8,100.00**	**7,400.89**
IV	**Expenses**		
	Operating and maintenance expenses	1,126.11	378.78
	Employee Benefits Expenses	327.89	233.54
	Finance costs	600.84	550.97
	Depreciation and amortisation expense	5,589.95	5,652.56
	Other expenses	187.54	145.20
	Total Expenses (IV)	**7,832.33**	**6,961.05**
V	**Profit before tax (III-IV)**	**267.67**	**439.84**
VI	**Income Tax expense**		
	Current tax		
	For current year	83.20	139.50
	For earlier years	(1.63)	(16.57)
	Deferred tax	9.32	13.86
	Total tax expense	**90.89**	136.79
VII	**Profit from continuing operations (V-VI)**	**176.78**	303.05
VIII	**Other Comprehensive Income/(loss) from continued operations**		
A	Items that will not be reclassified to profit or loss		
	Remeasurement of defined benefit obligations	(4.08)	(1.39)
	Income tax relating to above items that will not be reclassified to profit or loss	1.41	0.48
	Other Comprehensive Income/(loss) from continued operations (Net of tax)	**(2.67)**	**(0.91)**
IX	**Total Comprehensive Income/(loss) from continued operations (VII+VIII) (Comprising Profit and Other Comprehensive Income for the period)**	**174.11**	**302.14**
	Basic and diluted earnings per share (Rs.)	**1.09**	**1.91**

Summary Balance Sheet for the six months period ended September 30, 2017, Fiscal 2017 and Fiscal 2016 under Ind AS

	As at September 30, 2017 (Ind AS)	Fiscal 2017 (Ind AS)	Fiscal 2016 (Ind AS)
	(Rs. in millions)	(Rs. in millions)	(Rs. in millions)
ASSETS			
Non-current assets			
Property, Plant and Equipment	270.24	188.31	172.49
Capital work-in-progress	-	7.19	-
Other Intangible assets	877.79	1,381.99	3,263.01
Financial Assets	-	-	-
i. Investments	7,389.29	6,701.47	5,220.39
ii. Loans	786.93	214.56	2,044.81
iii. Other financial assets	626.05	683.07	141.30
Deferred tax assets (net)	24.49	26.82	34.73
Income tax assets	284.94	404.50	271.68
Other non-current assets	3,839.39	4,614.80	2,105.67
Total non-current assets	**14,099.12**	**14,222.70**	**13,254.08**
Current assets			
Financial Assets			
i. Trade receivables	427.09	353.36	1.37
ii. Cash and cash equivalents	133.15	192.48	127.29
iii. Bank balances other than (ii) above	430.74	420.47	360.20
iv. Loans	848.99	1,061.66	1,276.79
v. Other financial assets	1,523.39	819.59	828.93
Other current assets	3,251.67	1,659.11	128.95
Total current assets	**6,615.03**	**4,506.67**	**2,723.54**
Total Assets	**20,714.15**	**18,729.37**	**15,977.61**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	1,625.69	1,625.69	1,625.69
Other Equity	4,476.32	4,384.44	4,249.46
Total Equity	**6,102.01**	**6,010.13**	**5,875.15**
Liabilities			
Noncurrent liabilities			
Financial liabilities			
i. Borrowings	2,451.67	1,995.18	2,214.60
ii. Trade payables - Non Current	-	-	-
Provisions	28.17	25.61	17.11
Other non-current liabilities	4,908.50	4,146.47	1,513.75
Total non-current liabilities	**7,388.34**	**6,167.26**	**3,745.46**
Current liabilities			
Financial liabilities			
i. Borrowings	1,175.20	1,654.01	2,112.82
ii. Trade payables	1,816.09	2,385.11	3,745.46
iii. Other financial liabilities	2,070.40	894.48	286.24
Provisions	3.64	3.64	3.72
Other current liabilities	2,158.47	1,614.74	208.76
Total current liabilities	**7,223.80**	**6,551.98**	**6,357.00**
Total liabilities	**14,612.14**	**12,719.24**	**10,102.46**
Total Equity and Liabilities	**20,714.15**	**18,729.37**	**15,977.61**

Statement of Cash Flows for the Fiscal, 2017 and Fiscal 2016 under Ind AS

(*in ₹ million)*

	Fiscal 2017 (Ind AS)	Fiscal 2016 (Ind AS)
	(Rs. in millions)	(Rs. in millions)
CASH FLOW FROM OPERATING ACTIVITIES:		
(Loss)/Profit before exceptional items and tax	267.67	439.84
Adjustments for:	-	-
Depreciation and amortisation	5,589.95	5,652.56
Liabilities/provisions no longer required written back	-	(0.07)
Finance costs	600.84	550.97
Dividend income	(0.17)	(0.15)
Interest income	(41.12)	(42.12)
Interest income from related parties	(236.98)	(326.15)
Profit on Sale of Assets	(3.81)	(0.13)
Remeasurements of net defined benefit plans	(4.08)	(1.39)
Operating profit before working capital changes	**6,172.31**	**6,273.36**
Adjustments for changes in working capital:		
(Increase)/Decrease in trade receivables	(351.98)	391.56
(Increase)/Decrease in non-current financial assets - loans	(1.17)	0.11
(Increase)/Decrease in current financial assets - loans	238.31	26.66
(Increase)/Decrease in current financial assets - others	(280.41)	(145.03)
(Increase)/Decrease in other non-current assets	(2,659.96)	(137.29)
(Increase)/Decrease in other current assets	(1,530.16)	6.58
Increase/(Decrease) in trade payables	-	(99.21)
Increase/(Decrease) in trade payables - Short term	(5,031.77)	(5,650.22)
Increase/(Decrease) in current financial liabilities - other	455.70	(39.70)
Increase/(Decrease) in short term provisions	(0.08)	0.51
Increase/(Decrease) in long term provisions	8.49	3.05
Increase/(Decrease) in other non-current liabilities	2,632.72	373.03
Increase/(Decrease) in other current liabilities	1,405.97	1.55
Cash generated from operations	**1,057.98**	**1,004.95**
Income tax paid	(214.39)	(156.05)
Net cash from operating activities	**843.59**	**848.90**
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property Plant and Equipment including capital advances	78.10	(237.07)
Sale of Property Plant and Equipment	14.66	0.61
Dividend received	0.17	0.15
Loans and advances to related parties - given	(957.13)	(1,532.79)
Loans and advances to related parties - repayment received	2,721.58	784.67
Investment in subsidiary	(2,062.20)	(2,919.89)
Investment in others	-	(0.50)
Interest received	568.49	85.40
Investment in fixed deposits	(613.83)	(468.66)
Redemption / maturity of fixed deposits	636.57	403.96
Net cash (used in) investing activities	**386.40**	**(3,884.12)**
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of share capital	-	510.75
Payment of dividend	(39.13)	(19.66)
Proceeds from borrowings	549.27	1,360.69
Repayment of borrowings	(1,081.28)	(868.60)
Proceeds from issue of share capital (including securities premium)	-	2,729.25
Interest paid	(593.67)	(503.00)
Share issue expense	-	(126.86)
Net cash generated from/(used in) financing activities	**(1,164.81)**	**3,082.58**

	Fiscal 2017 (Ind AS)	Fiscal 2016 (Ind AS)
	(Rs. in millions)	**(Rs. in millions)**
Net Increase/(Decrease) in cash and cash equivalents	**65.19**	**47.36**
Cash and cash equivalents as at the beginning of the year	127.29	79.94
Cash and cash equivalents as at the end of the year	**192.48**	**127.29**
Cash and cash equivalents includes:		
Cash on hand	18.33	34.63
Bank balances :		
In current accounts	80.61	85.34
Demand deposits (less than 3 months maturity)	93.50	7.32
Unclaimed dividend	0.03	-
	192.48	**127.29**

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

2. *Figures in bracket indicate cash outflow*

Summary Balance Sheet for the Fiscal 2016 and Fiscal 2015 under Indian GAAP

Particulars	Fiscal 2016 (IGAAP)	Fiscal 2015 (IGAAP)
	(Rs. in millions)	**(Rs. in millions)**
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	1,625.69	1,114.94
Reserves and surplus	4,242.04	1,471.63
	5,867.74	2,586.57
Non-current liabilities		
Long-term borrowings	2,226.06	1,660.36
Other Long-term liabilities	1,513.75	1,140.72
Long-term provisions	17.11	14.07
	3,756.92	2,815.14
Current liabilities		
Short-term borrowings	2,113.82	1,784.39
Trade payables		
- Dues to Micro and Small Enterprises	-	0.06
- Dues to Others	451.66	512.76
Other current liabilities	495.01	909.52
Short-term provisions	23.28	3.27
	3,083.77	3,210.00
TOTAL	**12,708.42**	8,611.72
ASSETS		
Non-current assets		
Fixed assets		
- Tangible fixed assets	172.49	112.93
Non-current investments	5,220.39	2,096.38
Deferred tax assets	28.30	23.93
Long-term loans and advances	4,422.68	3,641.36
Other non-current assets	141.30	123.71
	9,985.15	5,998.34
Current assets		
Trade receivables	1.37	392.93
Cash and bank balances	487.49	383.43
Short-term loans and advances	1,423.08	1,382.96
Other current assets	811.33	454.08
	2,723.27	2,613.40
TOTAL	**12,708.42**	**8,611.72**

Statement of Profit and Loss for the Fiscal 2016 and Fiscal 2015 under Indian GAAP

Particulars	Fiscal 2016 (IGAAP) (Rs. in millions)	Fiscal 2015 (IGAAP) (Rs. in millions)
Income		
Revenue from operations	6,953.33	9,071.99
Other income	447.30	256.76
Total revenue	**7,400.63**	9,328.75
Expenses		
Operating and maintenance expenses	6,067.05	8,230.75
Employee benefit expenses	234.93	305.78
Finance costs	529.67	337.61
Depreciation	38.13	62.30
Other expenses	144.92	138.90
Total expenses	**7,014.72**	9,075.33
Profit before tax, and prior period items	**385.92**	253.42
Prior period expense (net)	-	2.92
Profit before tax	**385.92**	250.50
Tax expenses		
Current tax		
- Current year	139.50	103.00
- Prior period tax	(16.57)	-
Deferred tax (credit)	(4.36)	(14.01)
Profit after tax	**267.35**	**161.51**
Earnings per equity share		
- Basic and diluted	**1.69**	**1.47**
(Nominal value per share Rs. 10)		

Statement of Cash Flows for the Fiscal 2016 and Fiscal 2015 under Indian GAAP

Particulars	Fiscal 2016 (IGAAP)	Fiscal 2015 (IGAAP)
	(Rs. in millions)	(Rs. in millions)
Cash flows from operating activities		
Net profit before tax	**385.92**	**250.50**
Adjustments:		
Depreciation	38.13	62.30
Profit on sale of fixed assets	(0.13)	(1.66)
Interest income	(368.01)	(254.57)
Dividend income	(0.15)	(0.07)
Provision for wealth tax	-	0.26
Finance cost	529.67	337.61
Provisions no longer required written back	(0.07)	-
Facility fees	(78.38)	-
Operating profit before working capital changes	**506.98**	**394.37**
Adjustments for movements in working capital		
(Increase)/ Decrease in loans and advances	(104.91)	(1,694.78)
(Increase)/ Decrease in trade receivables	391.56	(169.26)
(Increase)/ Decrease in other current assets	(65.95)	(149.60)
Increase/ (Decrease) in trade payables	(61.16)	219.59
Increase/ (Decrease) in provisions	3.49	5.15
Increase/ (Decrease) in other Long term liabilities	373.03	1,335.00
Increase/ (Decrease) in other current liabilities	(38.08)	156.98
Cash generated from operations	**1,004.95**	**97.45**
Income taxes paid	(156.06)	(245.28)
Net cash generated from/ (used in) operating activities	**848.90**	**(147.83)**
Cash flows from investing activities		
Purchase of tangible fixed assets including capital advance	(237.07)	(28.15)
Proceeds from sale of fixed assets	0.61	3.36
Loans and advances to related parties - given	(1,532.79)	(2,487.09)
Loans and advances to related parties - repayment received	784.67	1,407.23
Investment in fixed deposits	(468.66)	(484.82)
Redemption / maturity of fixed deposits	403.96	186.39
Proceeds from sale of current & non-current investment	-	16.05
Purchase of current & non-current investment	(2,920.39)	(317.66)
Interest received	85.40	111.72
Dividend received from others	**0.15**	**0.07**
Net cash (used in) investing activities	**(3,884.12)**	**(1,592.90)**
Cash flows from financing activities		
Proceeds from issue of shares (including securities premium)	3,240.00	250.00
Share issue expenses	(126.86)	-
Interim dividend paid including tax on dividend	(19.66)	-
Proceeds from borrowings	1,360.69	2,539.26
Repayment of borrowings	(868.60)	(796.92)
Finance cost paid	(503.00)	(359.57)
Net cash provided by financing activities	**3,082.57**	**1,632.77**
Net (decrease) / increase in cash and cash equivalents	47.35	(107.96)
Cash and cash equivalents at beginning of the year	79.94	187.90
Cash and cash equivalents at end of the year (refer note 1 below)	**127.29**	**79.94**
Notes to the Cash Flow Statement		
Components of cash and cash equivalents		
Cash on hand	34.63	20.88
Balance with banks		
- Current accounts	85.34	55.47
- Fixed deposits	7.32	3.59
	127.29	79.94

B. ***CONSOLIDATED BASIS***

Statement of Profit and Loss for the nine months period ended December 31, 2017 and December 31, 2016 under Ind AS

Particulars	**Nine Months ended December 31,**	
	2017	**2016**
	Ind AS	
	(Rs. million)	
Income		
Revenue from operations	15,457.79	12,974.57
Other income	852.66	568.01
Total Income	**16,310.44**	**13,542.59**
Expenses		
Operating and maintenance expenses	8,266.49	2,544.41
Employee Benefits Expenses	576.89	553.46
Finance costs	3,508.82	3,726.28
Depreciation and amortisation expense	2,957.82	6,722.04
Other expense	342.59	294.84
Total Expenses	**15,652.62**	**13,551.04**
Profit/(loss) from operations before exceptional items tax	**657.82**	**(8.45)**
Exceptional Items	**-**	**1,579.34**
Profit/(loss) before tax	**657.82**	**1,570.89**
Tax expenses		
Current tax	(108.13)	(54.85)
Deferred tax	(137.73)	(526.39)
Net Profit/ (Loss) for the period / Year after tax and before Share of Profit/ (Loss) of Associates & Joint Venture	411.96	989.65
Shares of Profit / (Loss) of Associate & Joint Venture	**31.78**	**(20.82)**
Net Profit/ (Loss) after Tax	**443.74**	**968.83**
Other Comprehensive Income	**(3.63)**	**(2.02)**
Total Comprehensive Income	**440.12**	**966.81**

Statement of Profit and Loss for the six months period ended September 30, 2017 and September 30, 2016 under Ind AS

	Particulars	**Six months period ended September 30, 2017 (Ind AS)**	**Six months period ended September 30, 2016 (Ind AS)**
		(Rs. in millions)	**(Rs. in millions)**
I	Revenue from operations	7,891.59	9,084.68
II	Other income	706.63	391.02
III	**Total Income (I + II)**	**8,598.22**	9,475.70
IV	**Expenses**		
	Operating and maintenance expenses	3,691.32	1,657.41
	Employee Benefits Expenses	333.84	378.41
	Finance costs	2,300.47	2,513.55
	Depreciation and amortisation expense	1,687.45	4,792.43
	Other expense	194.53	187.90
	Total Expenses (IV)	**8,207.61**	**9,529.70**
V	**Profit/(loss) before exceptional items, share of net profits of investment accounted for using equity method and tax**	**390.61**	**(54.00)**
VI	**Share of profit / (Loss) in Joint Venture and Associates accounted for using the equity method (net of tax)**	(34.05)	(1.53)
VII	**Profit/(loss) before exceptional item and tax**	**356.56**	**(55.53)**
VIII	**Exceptional Items (net)**	0	1,579.33
IX	**Profit/(loss) before tax**	**356.56**	**1,523.80**
X	**Income Tax expense**		
	Current tax		
	For current year	(40.18)	(41.43)
	For previous year	-	-
	Deferred tax	(121.24)	(523.01)
	Total tax expense	**(161.42)**	**(564.44)**
XI	**Profit from continuing operations**	**195.14**	**959.36**
XII	**Other Comprehensive Income/(loss) from continued operations**		
A	(i) Items that will not be reclassified to profit or loss		
	Remeasurement of defined benefit obligations	(3.61)	(1.99)
	(ii) Income tax relating to above items that will not be reclassified to profit or loss	1.18	0.65
XI	**Other Comprehensive Income/(loss) from continued operations (Net of tax)**	**(2.43)**	**(1.34)**
XII	**Total Comprehensive Income/(loss) from continued operations (X+XI) (Comprising Profit and Other Comprehensive Income for the period)**	**192.71**	958.02
	Earnings per equity share (in Rs.)		
	Basic earnings per share	1.20	5.90
	Diluted earnings per share	1.20	5.90

Statement of Profit and Loss for Fiscal 2017 and Fiscal 2016 under Ind AS

	Particulars	Fiscal 2017 (Ind AS)	Fiscal 2016 (Ind AS)
		(Rs. in millions)	(Rs. in millions)
I	Revenue from operations	17,290.67	19,051.93
II	Other income	863.68	756.95
III	**Total Income (I + II)**	**18,154.36**	**19,808.88**
IV	**Expenses**		
	Operating and maintenance expenses	3,280.24	2,600.10
	Employee Benefits Expenses	733.52	744.34
	Finance costs	4,930.90	6,421.88
	Depreciation and amortisation expense	8,680.09	10,121.87
	Other expense	389.04	399.54
	Total Expenses (IV)	**18,013.79**	**20,287.73**
V	**Profit/(loss) before exceptional items, share of net profits of investment accounted for using equity method and tax**	**140.57**	**(478.85)**
VI	**Share of profit / (Loss) in Joint Venture and Associates accounted for using the equity method (net of tax)**	1.88	(44.58)
VII	**Profit/(loss) before exceptional item and tax**	**142.45**	**(523.43)**
VIII	**Exceptional Items (net)** (Refer note no. 45)	1,579.34	-
IX	**Profit/(loss) before tax**	**1,721.79**	**(523.43)**
X	**Income Tax expense**		
	Current tax		
	For current year	107.36	331.04
	For previous year	(1.63)	(24.23)
	Deferred tax	526.81	(464.37)
	Total tax expense	**632.54**	**(157.56)**
XI	**Profit from continuing operations (V-VI)**	**1,089.24**	**(365.86)**
XII	**Other Comprehensive Income/(loss) from continued operations**		
A	(i) Items that will not be reclassified to profit or loss		
	Remeasurement of defined benefit obligations	(7.15)	(3.90)
	(ii) Income tax relating to above items that will not be reclassified to profit or loss	2.34	1.29
XI	**Other Comprehensive Income/(loss) from continued operations (Net of tax)**	**(4.81)**	**(2.61)**
XII	**Total Comprehensive Income/(loss) from continued operations (X+XI) (Comprising Profit and Other Comprehensive Income for the period)**	**1,084.43**	**(368.47)**
	Earnings per equity share (in Rs.)		
	Basic earnings per share	6.70	(2.31)
	Diluted earnings per share	6.70	(2.31)

Summary Balance Sheet for the six months period ended September 30, 2017, Fiscal 2017 and Fiscal 2016 under Ind AS

		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)
		(Rs. in millions)	(Rs. in millions)	(Rs. in millions)
ASSETS				
Non-current assets				
Property, Plant and Equipment		595.21	507.63	609.15
Capital work-in-progress		468.57	281.53	66.67
Goodwill on consolidation		261.81	261.81	265.20
Other Intangible assets		22,742.95	23,877.77	35,003.80
Investment In Joint Ventures & Associates		2,094.07	1,444.92	-
Financial Assets				
i.	Investments	219.17	217.62	216.62
ii.	Loans	4,846.31	4,898.36	5,122.10
iii.	Other financial assets	655.09	269.61	430.29
Deferred tax assets (net)		1,407.42	1,520.32	2,045.14
Income tax asset		499.37	655.03	238.19
Other non-current assets		5,268.19	5,767.61	4,540.55
Total non-current assets		**39,058.16**	**39,702.21**	**48,537.71**
Current assets				
Financial Assets				
i	Investments	-	-	-
ii	Trade receivables	435.19	353.97	1.73
iii	Cash and cash equivalents	2,419.86	353.85	552.96
iv	Bank balances other than (iii) above	617.62	1,088.32	936.60
v	Loans	1,987.04	2,345.22	843.81
vi	Other financial assets	3,846.09	2,992.42	1,508.98
Other current assets		3,336.50	2,121.75	1,963.64
Total current assets		**12,642.30**	**9,255.53**	**5,807.72**
Total Assets		**51,700.46**	**48,957.74**	**54,345.43**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital		1,625.69	1,625.69	1,625.69
Other Equity		(1,570.43)	(1,704.84)	(2,750.14)
Total Equity		**55.26**	**(79.15)**	**(1,124.45)**
Liabilities				
Non-current liabilities				
Financial liabilities				
i	Borrowings	26,068.93	25,149.48	26,387.19
ii	Trade Payables	4,917.74	5,029.40	7,137.55
Deferred tax liabilities[net]		-	-	0.35
Provisions		236.23	280.42	1,227.95
Other non-current liabilities		2,834.46	1,948.10	-
Total non-current liabilities		**34,057.36**	**32,407.40**	**34,753.04**
Current liabilities				
Financial liabilities				
i	Borrowings	1,311.42	2,011.88	2,461.22
ii.	Trade payables	8,238.92	8,254.71	15,732.69
iii	Other financial liabilities	4,894.43	3,840.26	2,176.10
Other current liabilities		2,221.05	1,619.79	134.33
Provisions		762.85	803.09	212.50
Current Tax Liability		159.17	99.76	-
Total current liabilities		**17,587.84**	**16,629.49**	**20,716.84**
Total liabilities		**51,645.20**	**49,036.89**	**55,469.88**
Total Equity and Liabilities		**51,700.46**	**48,957.74**	**54,345.43**

Statement of Cash Flows for Fiscal, 2017 and Fiscal 2016 under Ind AS

	Fiscal 2017 (Ind AS)	Fiscal 2016 (Ind AS)
	(Rs. in millions)	(Rs. in millions)
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	**1,721.78**	**(523.43)**
Adjustments for:		
Goodwill impairment	3.40	-
Depreciation and amortisation	8,680.09	10,121.87
Liabilities/provisions no longer required written back	(143.00)	(0.30)
Profit on Property Plant and Equipment sold (Net)	8.81	(0.28)
Dividend income	(0.40)	(2.17)
Finance costs	4,930.90	6,421.88
Exceptional Item	(1,579.34)	-
Upfront Processing Fees	(10.33)	-
Interest income	(237.36)	(265.17)
Interest income from related parties	(475.40)	(475.04)
Share in Profits of Joint Ventures	(1.88)	44.58
Remeasurement of net defined benefit obligations	(7.15)	(3.90)
Operating profit before working capital changes	**12,890.12**	**15,318.04**
Adjustments for changes in working capital:		
(Increase)/Decrease in trade receivables	(352.25)	256.55
(Increase)/Decrease in non-current financial assets - loans	(635.96)	39.78
(Increase)/Decrease in non-current financial assets - others	19.95	(18.14)
(Increase)/Decrease in current financial assets - loans	(1,500.39)	(40.80)
(Increase)/Decrease in current financial assets - others	(1,215.29)	(576.23)
(Increase)/Decrease in other non current assets	(1,698.58)	78.19
(Increase)/Decrease in other current assets	(158.11)	(706.49)
Increase/(Decrease) in non-current financial liabilities - others	(2,108.17)	(6,905.22)
Increase/(Decrease) in trade payables	(4,983.64)	(3,109.32)
Increase/(Decrease) in current financial liabilities - other	444.49	16.00
Increase/(Decrease) in short term provisions	733.59	147.77
Increase/(Decrease) in long term provisions	(457.43)	327.91
Increase/(Decrease) in other non-current liabilities	1,948.10	-
Increase/(Decrease) in other current liabilities	1,485.58	(31.32)
Cash generated from operations	**(8,478.11)**	**(10,521.32)**
Income tax refund/(paid) (net)	(422.93)	(271.21)
Net cash generated from operating activities	**3,989.08**	**4,525.51**
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property Plant and Equipment including capital advances	93.05	(888.53)
Sale of Property Plant and Equipment	125.53	0.80
Dividend received	0.40	2.17
Sale of investments	-	106.33
Purchase of investments	(1.00)	(0.50)
Investment in fixed deposits	(659.31)	(1,081.51)
Redemption / maturity of fixed deposits	636.57	988.73
Interest received	546.01	240.70
Loans given	769.11	(94.98)
Purchase of investment in joint ventures	(1,441.31)	(0.50)
Net cash (used in) investing activities	**69.05**	**(727.29)**
CASH FLOW FROM FINANCING ACTIVITIES:		
Dividend distribution tax	(6.62)	-
Proceeds from issue of share capital	-	510.75
Proceeds from borrowings	4,451.64	1,905.24
Repayment of borrowings	(5,427.04)	(4,545.69)
Proceeds from issue of share capital (including securities premium)	-	2,729.25

	Fiscal 2017 (Ind AS)	Fiscal 2016 (Ind AS)
	(Rs. in millions)	(Rs. in millions)
Interest paid	(3,242.71)	(4,189.40)
Dividend paid	(32.51)	(19.66)
Share issue expense	-	(126.86)
Net cash generated from/(used in) financing activities	**(4,257.24)**	**(3,736.36)**
Net Increase/(Decrease) in cash and cash equivalents	**(199.11)**	**61.85**
Cash and cash equivalents as at the beginning of the year	552.96	491.11
Cash and cash equivalents as at the end of the year	**353.85**	**552.96**
Cash and cash equivalents		
Cash on hand	118.89	362.08
Bank balances		
In current accounts	141.42	183.56
Unclaimed Dividend	0.04	-
Demand deposits (less than 3 months maturity)	93.51	7.32
	353.85	**552.96**

Summary Balance Sheet for Fiscal 2016 and Fiscal 2015 under Indian GAAP

Particulars	Fiscal 2016 (IGAAP)	Fiscal 2015 (IGAAP)
	(Rs. in millions)	(Rs. in millions)
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	1,625.69	1,114.94
Reserves and surplus	(613.05)	(3,379.39)
	1,012.64	**(2,264.45)**
Non-current liabilities		
Long-term borrowings	26,570.18	29,567.62
Deferred tax liabilities (net)	0.16	0.70
Other long-term liabilities	522.00	1,044.00
Long-term provisions	31.19	22.74
	27,123.53	**30,635.06**
Current liabilities		
Short-term borrowings	2,506.16	2,071.64
Trade payables		
- dues of micro enterprises and small enterprises	-	0.06
- other creditors	3,344.26	2,662.68
Other current liabilities	2,854.64	3,247.00
Short-term provisions	25.78	4.82
	8,730.84	**7,986.20**
TOTAL	**36,867.01**	**36,356.81**
ASSETS		
Non-current assets		
Fixed assets		
- Tangible fixed assets	614.57	283.35
- Intangible fixed assets	19,413.50	21,010.79
- Capital work in progress	66.67	162.68
- Goodwill on consolidation	265.20	265.20
Non-current investments	216.62	216.12
Deferred tax assets (net)	1,069.93	942.68
Long-term loans and advances	8,982.79	8,934.30
Other non-current assets	412.15	387.26
	31,041.44	**32,202.38**
Current assets		
Current investments	-	106.33
Trade receivables	1.73	258.28
Cash and bank balances	1,498.46	1,348.18
Short-term loans and advances	3,279.61	1,811.68
Other current assets	1,045.78	629.96
	5,825.58	**4,154.43**
TOTAL	**36,867.01**	**36,356.82**

Statement of Profit and Loss for Fiscal 2016 and Fiscal 2015 under Indian GAAP

Particulars	Fiscal 2016 (IGAAP)	Fiscal 2015 (IGAAP)
	(Rs. in millions)	(Rs. in millions)
Income		
Revenue from operations	20,068.00	20,087.78
Other income	407.03	325.19
Total revenue	**20,475.03**	**20,412.97**
Expenses		
Operating and maintenance expenses	13,332.87	14,570.26
Employee benefit expenses	775.34	761.14
Finance costs	3,832.31	4,036.13
Depreciation and amortisation	1,706.22	1,799.38
Other expenses	411.41	310.09
Total expenses	**20,058.15**	**21,477.00**
Profit /(Loss) before tax and prior period items	**416.88**	**(1,064.03)**
Prior period expense	**-**	(10.63)
Profit/(Loss) before tax	**416.88**	**(1,074.66)**
Tax expenses		
Current Tax		
-Current year	331.04	272.92
-Relating to earlier years	(24.23)	-
Mat credit entitlement	(25.42)	(8.25)
Deferred tax (credit)	(127.78)	(186.00)
Profit/(Loss) after tax	**263.27**	**(1,153.33)**
Earnings per equity share		
- Basic	**1.66**	**(10. 51)**
- Diluted	**1.66**	**(10. 51)**
[(Nominal value per share Rs 10) (previous year : Rs 10)]		

Statement of Cash Flows for Fiscal 2016 and Fiscal 2015 under Indian GAAP

Particulars	Fiscal 2016 (IGAAP)	Fiscal 2015 (IGAAP)
	(Rs. in millions)	(Rs. in millions)
Cash flows from operating activities		
Profit / (Loss) before tax	**416.88**	**(1,074.66)**
Adjustments:		
Depreciation and amortisation	1,706.22	1,799.38
Profit on sale of investment in subsidiary	-	(4.73)
Interest income	(388.46)	(303.91)
Profit on sale of fixed assets	(0.28)	(1.81)
Provision for wealth tax	-	0.26
Profit on sale of mutual fund investments	-	0.01
Finance cost	3,832.31	4,036.13
Dividend income	(2.17)	(6.39)
Provisions no longer required written back	(0.30)	(6.49)
Operating profit before working capital changes	**5,564.20**	**4,437.79**
Adjustments for movements in working capital:		
(Increase) in loans and advances	(1,115.72)	(1,786.10)
Decrease in trade receivables	256.56	29.18
Increase in trade payables	681.81	1,199.17
Increase in provisions	9.84	9.58
(Decrease) in other liabilities	(517.79)	(404.06)
(Increase) in other assets	(339.84)	(332.45)
Cash generated from operations	**4,539.06**	**3,153.11**
Income taxes (paid)	(270.62)	(397.78)
Net cash provided by operating activities	**4,268.44**	**2,755.33**
Cash flows from investing activities		
Purchase of tangible fixed assets	(645.64)	(272.59)
Proceeds from sale of fixed assets	2.49	4.06
Repayment of loans and advances	-	165.54
Purchase of Current investment	(1.72)	(114.17)
Purchase of Non-current investment	(0.50)	-
Proceeds from sale / maturity of current investments	-	7.42
Sale of Current Investment	108.05	16.10
Investment in fixed deposits	(1,081.51)	(1,118.00)
Redemption / maturity of fixed deposits	988.73	985.26
Investment in enterprises over which significant influence is exercised by key managerial personnel	-	(209.00)
Loans given	(112.19)	(652.65)
Dividend received	2.17	6.39
Interest received	240.70	309.53
Net cash used by investing activities	**(499.42)**	**(872.11)**
Cash flows from financing activities		
Proceeds from issue of equity shares	3,240.00	250.00
Share issue expenses	(126.86)	-
Proceeds from borrowings	1,949.05	3,291.00
Repayment of borrowings	(4,551.43)	(1,582.91)
Dividend Paid - Interim	(16.26)	-
Dividend Tax Paid - Interim	(3.40)	-
Finance cost paid	(4,189.40)	(4,114.30)
Net cash used by financing activities	**(3,698.30)**	**(2,156.21)**
Net increase / (decrease) in cash and cash equivalents	**70.72**	**(272.99)**
Cash and cash equivalents at beginning of the year	491.14	764.13
Cash and cash equivalents at end of the year below)	**561.86**	**491.14**
Notes to the Cash Flow Statement		
Components of cash and cash equivalents		
Cash on hand	366.34	223.68
Balance with banks	-	-

- current accounts	188.20	263.87
- fixed deposits	7.32	3.59
	561.86	**491.14**

RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. Investors should carefully consider all information in this Preliminary Placement Document, including the risks and uncertainties described below, before making an investment in the Equity Shares. In addition, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. In order to obtain a complete understanding about us, prospective investors should read this section in conjunction with the sections "Industry Overview", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", as well as the other financial and statistical information included elsewhere in this Preliminary Placement Document. If anyone or a combination of the risks described below or other risks that are not currently known or are currently deemed immaterial actually occur, our business, prospects, financial condition and results of operations could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. In making an investment decision, prospective investors should consult their tax, financial and legal advisors about the particular consequences of an investment in this Issue and must rely on their own examination of our business and financial performance and the terms of the Issue, including the merits and the risks involved.

This Preliminary Placement Document may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Preliminary Placement Document. For further information, see "Forward-Looking Statements" on page 12.

In this section, unless the context otherwise requires, a reference to "our Company" is a reference to MEP Infrastructure Developers Limited on a standalone basis, while any reference to "we", "us" or "our" refers to MEP Infrastructure Developers Limited on a consolidated basis.

Our Company's fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the 12 months ended March 31 of that year. Our Company was required to prepare financial statements in accordance with Ind AS for Fiscal 2017 (together with the corresponding financial statements under Ind AS for Fiscal 2016). Our historical financial statements for Fiscal 2015 and for Fiscal 2016 were originally prepared in accordance with Indian GAAP. Ind AS varies in many respects from Indian GAAP, and accordingly our Ind AS financial statements for Fiscal 2016 and Fiscal 2017 as well as for the six months ended September 30, 2017 and the nine months ended December 31, 2017 are not comparable with our historical Indian GAAP financial statements for Fiscal 2015 and Fiscal 2016.

In this Preliminary Placement Document, we have therefore included the Indian GAAP Audited Financial Statements for Fiscal 2015 and Fiscal 2016, and the Ind AS Audited Financial Statements for Fiscal 2016 and Fiscal 2017 and the reviewed Ind AS Condensed Financial Statements as of and for the six months ended September 30, 2016 and 2017 and for the nine months ended December 31, 2016 and 2017. Our Ind AS Audited Financial Statements for Fiscal 2016 and Fiscal 2017 also include reconciliation statements of the effect of transition from Indian GAAP to Ind AS in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. Indian GAAP and Ind AS differ in certain respects to IFRS and U.S. GAAP. Accordingly, the degree to which our financial statements included in this Preliminary Placement Document will provide a meaningful information to a prospective investor is entirely dependent on such reader's level of familiarity with Indian accounting processes and practices. For important information relating to the presentation of financial information, including the transition from Indian GAAP to Ind AS financial statements, see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Presentation of Financial Information" on page 93.

Unless otherwise specified or the context otherwise requires, financial information herein for Fiscal 2015 is derived from our Indian GAAP Audited Consolidated Financial Statements, financial information for Fiscal 2016 and 2017 is derived from our Ind AS Audited Consolidated Financial Statements, and financial information for the six months ended September 30, 2017 and the nine months ended December 31, 2017 is derived from our Ind AS Condensed Consolidated Financial Statements.

RISKS RELATING TO OUR BUSINESS

1. ***We have incurred substantial indebtedness and as a result may not be able to obtain adequate financing or generate sufficient cash flow to meet our significant capital expenditures and liquidity requirements, which would have a material and adverse effect on our business, results of operations, financial position and prospects.***

   Our projects are capital intensive and require us to have significant amounts of long term loans for capital expenditure and working capital. Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions for infrastructure companies, economic and political conditions in the markets where we operate and our capacity to service debt in what is expected to be a rising interest rate environment. We have had, and expect to continue to have, substantial liquidity and capital resource requirements that will require significant capital expenditure and working capital. As of September 30, 2017, our total outstanding indebtedness was ₹ 30,353.97 million.

The high level of our indebtedness could have several important consequences, including but not limited to the following:

- a substantial portion of our cash flows may be used towards repayment of our existing debt, which will reduce the availability of cash flows to fund working capital, capital expenditures, acquisitions and other general corporate requirements;

- our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favorable to us may be limited;

- fluctuations in market interest rates may affect the cost of our borrowings, as certain of our indebtedness is subject to floating rates of interest;

- we may have difficulty in satisfying repayments and other restrictive covenants under our existing financing arrangements;

- current and future defaults of payment and other obligations under our financing arrangements may result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our receivables and other assets; and

- we may be limited in our ability to expand our business and therefore, we may be limited in our capability to withstand competitive pressures.

Given the nature of our business, we will continue to incur substantial indebtedness even after the Issue, and we cannot assure you that the aforementioned risks will not have an adverse effect on our cash flows, results of operations and financial condition.

Further, our project financing is generally a combination of equity contribution, debt financing and grants by relevant authorities. While we may approach various lender institutions for financial commitments, these commitments are subject to a number of conditions precedent, such as completion of documentation satisfactory to parties thereto, among others. We may not be able to fulfil all or any of the conditions or agree on commercial terms or non-commercial terms with these banks and financial institutions, in which case they would have no obligation to provide any loans to us. Our inability to obtain financing at reasonable or favourable interest rates, or at all, may impair our business, results of operations, financial condition or prospects, as the case may be. Such inability could result from, among other causes, our then current or prospective financial condition or results of operations or from our inability for any reason (including reasons applicable to Indian companies generally) to issue securities in the capital markets. There can be no assurance that financing from external sources will be available at the time or in the amounts necessary to meet our requirements and that it will not have an adverse effect on our business, results of operations and financial condition.

2. ***We derive a significant portion of our revenue from the Mumbai Entry Points Project. Termination of, or reduction in revenue from, the Mumbai Entry Points Project could have a material and adverse effect on our business, results of operations and financial condition.***

We undertake the maintenance and collection of toll at five Mumbai Entry Points, pursuant to an agreement dated November 19, 2010 with MSRDC (the "**Mumbai Entry Points Agreement**"). A significant portion of our total revenue is generated from the Mumbai Entry Points Project. In Fiscal 2017, the Mumbai Entry Points Project contributed 28.31% of our total revenue.

Under the Mumbai Entry Points Agreement, MSRDC has the right to terminate the Mumbai Entry Points Contract in the event of any material breach or default on our part in complying with the terms and conditions of such agreement, including any default on our obligations under the financing arrangements entered into in connection with the Mumbai Entry Points Project. MSRDC may also terminate the Mumbai Entry Points Agreement upon occurrence of any force majeure events in accordance with the provisions of such agreement. In addition, under certain substitution agreements among MSRDC, MIPL and lenders to the project, such lenders have the right to replace MIPL on the Mumbai Entry Points Project, with the approval of MSRDC, in the event of any material breach by MIPL to comply with the terms of the Mumbai Entry Points Agreement or any default by MIPL to make payments under the financing arrangement for the Mumbai Entry Points Project.

Although we are entitled to receive certain compensation from MSRDC in the event of an early termination, there can be no assurance that we will be able to recover the amounts invested by us in its entirety or at all. An early termination of the Mumbai Entry Points Agreement by MSRDC would materially and adversely affect our business, results of operations and financial condition. In addition, revenue generated from the Mumbai Entry Points Project may decrease on account of various factors beyond our control including a fall in traffic volume. Any significant decrease in the revenue from the Mumbai Entry Points Project would have an adverse impact on our business, results of operation and financial condition.

3. ***Any increase in toll rates is governed by the terms of the respective contracts. We do not have the right to increase toll rates that are charged at our projects and we cannot assure that such increases would be sufficient to meet increased costs associated with such project.***

The toll rates that we are permitted to charge with respect to a project is governed by the terms of the contract for the project and is subject to escalation over the life of the project based on a mechanism in relevant agreements or through notification issued by the relevant regulatory authority. For our Short Term projects, an increase in the toll rates can only be made in accordance with the terms of the respective agreements, and are revised by the NHAI from time to time.

The costs of operating and maintaining our projects may increase due to factors beyond the our control, including, increase in the cost of labour, materials and insurance, restoration of projects in the event of any landslides, floods, cyclones, droughts, road subsidence, adverse weather conditions, other natural disasters, accidents or other events causing structural damage or compromising safety which may not be fully compensated by insurance. Our operating costs may also be affected by a significant increase in electricity tariff rates or other fuel costs resulting in an increase in the cost of energy, or any change in government policies requiring the reduction or abolition of toll collection. In addition, unforeseen legal, tax and accounting liabilities relating to acquired assets may also affect our cost of operations. Any increase in costs of materials and labour for the operation and maintenance of a project or any increase in interest rates or other financing costs related to the financing arrangements entered into in the context of the relevant project will also affect our cost of operations and other costs. If the increase in tolls contemplated by the relevant agreement or permitted by the relevant regulatory authority is not in pace with such increase in various expenses incurred by us in connection with the relevant project, it could have a material adverse effect on our results of operations and financial condition.

4. ***We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets. We are currently not in compliance with specific obligations under our financing agreements including with respect to obtaining consent from certain lenders of our Company for the Issue. Such current and any future defaults could lead to acceleration of our repayment obligations, cross defaults under other financing agreements, termination of one or more of our financing agreements and concession agreements or force us to sell our assets, which may adversely affect our cash flows, business, results of operations and financial condition.***

Our financing agreements include certain covenants that require us to obtain lender consents prior to carrying out certain corporate activities and entering into certain transactions, such as, alteration of our capital structure in any manner (which would include issuance of equity shares pursuant to this Issue), issuance of further equity shares or other securities, additional debt, creating a lien beyond a specified limit over our equity interest in the entities that are operating our projects or on hypothecated assets or any part thereof, making certain restricted payments (including declaration of dividend for any year except out of profits for the year and after meeting the bank's obligations), prepay any subordinated loans, prepaying any indebtedness prior to its maturity date, making significant changes to management and alteration in the constitution of our Company, undertaking sale or other disposition of assets, undertaking change or expansion in scope of business, entering into certain transactions such as reorganisations, amalgamations and mergers and undertaking additional guarantee obligations on behalf of any third party. In addition, certain financing agreements also contain cross default provisions, which could automatically trigger defaults under other financing agreements. In addition, any downgrading of our credit rating by a credit rating agency may qualify as an event of default under some financing agreements. For instance, the credit rating of our Subsidiary, MIPL has been downgraded due to delays in debt servicing, large debt and high exposure to group companies and vulnerability of cash flows to volatility in traffic and changes in government policies including demonetization and delays in receiving compensation for the same.

Certain financing agreements also provide the banks and financial institutions with the right to convert amounts due into equity in the event of default. Certain of these banks and financial institutions also have a right to appoint nominee directors under these financing agreements in the event of default. Pursuant to the provisions of certain loan facilities availed of by us, we are required to maintain a certain to debt to equity ratio throughout the tenure of the facility and the lenders are entitled to recall the loan at any time on demand or call notice, requiring the borrower to repay (either in full or in part) the amount outstanding on any particular day. Compliance with the various terms of our financing agreements is subject to interpretation and we cannot assure you that we have requested for or received all consents from our lenders that are required under our financing agreements. Any failure to comply with such requirements under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may lead to a termination of our credit facilities and may adversely affect our ability to conduct our business and operations. Any such restrictive covenants may restrict our ability to conduct business and any breach thereof may adversely affect our results of operations and financial condition.

We are currently in breach of certain covenants under some of our financing agreements such as payment delays for amounts due, including delays in payment of interest delays or defaults in sending information and reports to lenders, failure to maintain certain financial covenants, failure to create security as per the financing documents, undertaking certain activities without the prior consent of the lenders and failure to undertake certain activities required under our financing agreements (for instance, constitution of certain committees). Additionally, some of our financing agreements require our Company to obtain the consent of certain lenders for the alteration of our capital structure. While we have sought consents of all lenders from whom consent is required under the terms of the financing agreements, we have not received consent from Bank of India for the alteration of capital structure pursuant to the Issue and accordingly, we may breach financing agreements with Bank of India. In terms of such financing agreements, upon occurrence of an event of default, the lender may demand payment of the outstanding loan and/or enforce our security available to it. As on date of this Preliminary Placement Document, the total amount outstanding under the facility of Bank of India is ₹744.78 million on fund based facility and ₹750.00 million on non-fund based facility. The breach of such covenants, in most instances (whether upon a service of notice by the lender or otherwise), constitutes an event of default under the BOI facility and entitles the lender to enforce remedies under the terms of the respective financing agreements which can include levy of penal interest on the outstanding amounts under the facility, suspension of further drawdown under the financing agreements, terminate the right to make any withdrawals, acceleration of loan and declaration that all outstanding amounts under the facility be due and payable immediately, appointment of nominee directors on the board of directors of our Company, right of the lender to review and restructure the management set-up, right to convert the outstanding obligation under the respective facility into equity shares of the defaulting entity and enforcement of security provided under the facility. In addition, such restrictive covenants may also affect some of the rights of our shareholders and our ability to pay dividends if we are in breach of our obligations under the applicable financing agreement.

We have not currently applied to our lender for waivers in respect to this breach. We cannot assure you that the lender will not seek to enforce its rights in respect of any breach under its financing agreements. Further, such breach and relevant actions by the lender could also trigger enforcement action by other lenders pursuant to cross-default provisions under certain of our financing agreements. Further, if the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under the financing documents, thereby reducing the availability of cash for our operations. In addition, the lenders and/or the security trustees may enforce their respective security interest in certain of our assets. Moreover, during the period in which we are in default, we may face difficulties in raising further loans. Any future inability to comply with the covenants under our financing agreements or to obtain the necessary consents required thereunder may lead to termination of our credit facilities, levy of penal interest, acceleration of all amounts due under such financing agreements and enforcement of any security provided. Any of these circumstances would have an adverse effect our business, results of operation and financial condition.

5. ***Our business is entirely dependent on road projects in India undertaken or awarded by governmental authorities and other entities funded by the GoI or state governments and we derive almost all of our revenues from contracts with a limited number of government entities. Any adverse changes in the central or state government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated.***

Our business is entirely dependent on road projects in India undertaken or awarded by governmental authorities and other entities funded by the GoI or state governments. We currently derive almost all of our revenues from contracts with a limited number of government entities, including NHAI, SDMC, MSRDC, RIDCOR and HRBC. In Fiscal 2017 our revenue from contracts with NHAI and MSRDC together accounted for 88.30% of our total revenue. There can be no assurance that the GoI or the state governments will continue to place emphasis on the road infrastructure sector. In the event of any adverse change in budgetary allocations for infrastructure development or a downturn in available work in the road infrastructure sector or de-notification of toll collection resulting from any change in government policies or priorities, our business prospects and our financial performance, may be adversely affected.

The contracts with government entities may be subject to extensive internal processes, policy changes, government or external budgetary allocation and insufficiency of funds which may lead to lower number of contracts available for bidding or increase in the time gap between invitation for bids and award of the contract. So long as government entities are responsible for awarding contracts to us and are a critical party to the development and ongoing operations of our projects, our business is directly and significantly dependent on projects awarded by them. With reference to projects where our bids have been successful, there may be delays in award of the projects and/or notification of appointed dates, which may result in us having to retain resources which remain unallocated, thereby adversely affecting our financial condition and results of operations.

Any adverse changes in the GoI or state government policies may lead to our contracts being foreclosed or terminated. Additionally, we may be restricted in our ability to, among other things, increase toll rates, sell our interests to third parties, contract with certain customers or assign our rights or obligations under our contracts to any person. These restrictions may limit our flexibility in operating our business, which could have an adverse effect on our business, prospects, results of operations, cash flows and financial condition.

6. ***All projects we operate have been awarded primarily through competitive bidding process. Our bids may not always be accepted. Our prospects would be materially and adversely affected if we fail to obtain new contracts.***

As a part of our business and operations, we bid for projects on an on-going basis. Projects are awarded following competitive bidding processes and satisfaction of prescribed pre-qualification criteria. While service quality, technological capacity and performance, health and safety records and personnel, as well as reputation and experience and sufficiency of financial resources are important considerations in authority decisions, there can be no assurance that we would be able to meet such qualification criteria, particularly for larger projects, whether independently or together with other joint venture partners or co-sponsors (if any). Further, once the prospective bidders satisfy the pre-qualification requirements of the tender, the project is usually awarded based on the quote by the prospective bidder. We spend considerable time and resources in the preparation and submission of bids. We cannot assure you that we would bid where we have been prequalified to submit a bid or that our bids, when submitted or if already submitted, would be accepted. If we are not able to pre-qualify in our own right to bid for larger projects, we may be required to partner and collaborate with other companies in bids for such projects. If we are unable to partner with other companies or lack the credentials to be the partner-of-choice for other companies, we may lose the opportunity to bid for large toll collection, OMT projects, BOT projects and HAM projects, which could affect our growth plans.

In addition, the government conducted tender processes may be subject to change in qualification criteria, unexpected delays and uncertainties. There can be no assurance that the projects for which we bid will be tendered within a reasonable time, or at all. In the event that new projects which have been announced and which we plan to bid for are not put up for tender within the announced timeframe, or qualification criteria are modified such that we are unable to qualify, our business, prospects, financial condition, cash flows and results of operations could be materially and adversely affected.

The growth of our business mainly depends on our ability to obtain new HAM, toll collection, OMT and BOT projects. We are not in a position to predict whether and when we will be awarded a new contract. Our future results of operations and cash flows can fluctuate materially depending on the timing of contract awards. Further, all our ongoing projects have been awarded to us for a definite term and the relevant authorities may float tenders for such projects after expiry of the current term. There is no assurance that we will be awarded such projects at the end of the tender process.

7. ***All our current contracts are awarded to us by government or government sponsored entities and may be terminated upon the occurrence of any force majeure events or in the event of any default on part of either party. We may not receive any compensation on account of any such termination or the amount of compensation we receive may be less than our expected profit from the contract or the value of the loan we have taken for the project. Further, we are also required to indemnify such authorities under the terms of our contracts.***

All our current contracts have been awarded to us by governments or government sponsored entities. Such contracts provide that the contract may be terminated upon occurrence of *force majeure* events including act of God, war, flood, earthquake, epidemic and certain other political events such as change in law, expropriation of rights of the contractor or unauthorised revocation of license and permits required to perform the obligations under the contract. As a result, we may be subject to loss of revenue and profit on account of any force majeure events affecting our projects. While we can bring claims against NHAI or other relevant authority, there is no assurance that we will receive any compensation claimed, or that the amount of compensation we receive will be adequate to compensate for any loss of revenue incurred by us.

In addition, the relevant authorities retain certain rights relating to termination of the relevant agreement relating to a project, prior to the expiration of the contract period, without assigning any reason for such termination or foreclosure. We may not be entitled to any compensation at all for such early termination of any project agreement by the relevant authority. In addition, in circumstances where we are entitled to receive termination payment on termination resulting from an event of default by the relevant authority, there can be no assurance that such compensation amount will be sufficient to cover operation and maintenance costs already incurred by us in respect of the relevant project. Any such early termination may result in loss of estimated profit on the project.

We have made upfront payments to the authorities under certain of our concession agreements and there is no assurance that we will be able to recover the entire upfront payment made by us in the event of an early termination of such agreement by the relevant authority on account of our breach of the terms and conditions of the contract. The amount of compensation we receive may also be less than the outstanding loan on the project. Additionally, we are required to indemnify such authorities for any loss caused to them due to our act or omissions, or those of our sub-contractors. Therefore, the termination of a contract prior to the expiration of the contract period by the authority or the enforcement of the indemnity provided by us may have a material adverse effect on our results of operations and financial condition. Such early termination, on account of breach of contract or an event of default by us, may also have adverse effects on our brand value and credibility which may impact our ability to bid for and be awarded future contracts and may result in us being blacklisted by the authorities and being prohibited from bidding for future contracts.

8. ***We are subject to various risks with respect to our construction business, including if costs increase above estimates, changes in scope of work and cost overruns which may cause us to experience reduced profits or losses and in some cases, cancellation or deferrals of contracts.***

We have entered into EPC contracts with the HAM JV Companies under which we are required to carry out the design, engineering, and procurement of materials, plant, construction and all other works necessary for the completion of the projects. Under these EPC contracts, we bear all or a portion of the risks of any cost increase, and while we attempt to anticipate and account for any contingencies when determining our contract price, there is no assurance that we will be able to successfully secure contract prices that build in adequate amounts to cover any such contingencies. Contract prices are established in part on cost and scheduling estimates, which are based on a number of assumptions, including assumptions about future economic conditions, the price and availability of labour, equipment and materials and other relevant factors. If any of these estimates prove inaccurate or circumstances change, cost overruns may occur and we could experience reduced profits, or in some cases incur loss. In addition to the risk of cost overruns, we also bear the risk of any underestimation of the amount of work or the quantity of material required. Unanticipated costs or delays in performing part of the contract can have compounding effects by increasing costs of performing other parts of the contract. Such inherent risks of the construction business may result in realized gross profits differing from those we originally estimated and reduced profitability or losses. Depending on the size of a project, these variations from estimated contract performance could have a material adverse effect on our operating results for any particular period.

In addition, our scope of work might change during the life of the project or there may be deviations and delays from the original contract schedule. We cannot assure you that we will be able to recover the costs arising from change in scope of work caused by the HAM projects. This may lead to business disputes, and may materially and adversely affect our business, financial position, results of operations and prospects.

Irrespective of the type of project, our construction business is subject to unusual risks, including unforeseen conditions encountered during construction, the impact of inflation and changes in political and legal circumstances, particularly since contracts for major projects are performed over an extended period of time. We have also provided performance security in the form of bank guarantees in relation to our HAM projects. In the event of non-performance of specified obligations, we may be liable to pay out significant amounts. In addition, we are involved in large projects where design, construction or systems failures can result in substantial injury or damage to third parties and we could face significant claims for damages if there are defects in the quality of our or our sub-contractors' design, construction engineering or planning.

9. ***We may be subject to penalties in case we do not comply with the terms of our contracts and in certain cases our rights to collect toll under the contract may be suspended by the authority.***

In terms of the contracts awarded to us for our projects, we are subject to penalties, including penal interest, in the event of a failure on our part to perform our obligations or comply with the terms of such contracts including charging tolls at a rate above the rates prescribed in the contract or delay in making payment of installments to the authority or non-performance of any maintenance or repair work or failure to fulfill conditions precedent or non-submission of requisite bank guarantee. The amount of penalty is governed by the terms of the contract and in certain cases the quantum of penalty is calculated based on the amount involved in the breach. Further, the authority has the right to encash the performance security submitted by us in the event of a failure on our part to comply with the terms of the contract and we are required to replenish the performance security in such cases. Under some of our contracts, the authority also has the right to terminate the contract together with forfeiture of performance security, in the event of a failure on our part to rectify any default within the specified period. We have been subject to penalties (including payment of penal interest) in the past for failure to comply with the terms of our project contracts.

Further, under certain concession agreements, the relevant authority is entitled to suspend collection of toll for specified periods in the event of any default on our part. In addition, under the relevant agreements for our HAM Projects with the NHAI, NHAI is entitled to suspend all rights of the relevant HAM JV Company under its concession agreements, for specified periods in the event of any default made by such HAM JV Company. We will not be entitled to any annuity payments as a consequence of such suspension which will adversely affect our revenue from the project during such suspension period. Further, the NHAI may extend such suspension period if the cause of suspension is not rectified, and may even terminate the agreement if the default is not cured within the specified periods. In the event of any such suspension of rights by NHAI or any consequent termination of our contract, our results of operations, financial condition and reputation may be adversely affected.

10. ***Delays in the completion of construction of current and future projects could have adverse impact on our business, results of operations and financial condition.***

Typically, our HAM projects and certain OMT projects of our Company are subject to specific completion schedules, which require us to complete the construction of our HAM projects and construction and maintenance of such OMT projects, within a specified timeframe. We, typically provide the concession authorities with performance securities or bank guarantees for a period of one year from the appointed date (date on which conditions precedent under the financing arrangements for the projects are fulfilled) or any other milestone as prescribed in the concession agreement, for the performance of its obligations during the construction period.

Additionally, our HAM projects are typically required to achieve commercial operation date no later than the scheduled commercial operation dates specified under the relevant concession agreements, subject to certain exceptions such as (i) the occurrence and continuance of force majeure events that are not within the control of our project companies, or (ii) delays that are caused due to reasons solely attributable to the relevant authority. Failure to adhere to contractually agreed timelines or extended timelines for reasons other than those specifically contemplated in such concession agreement could require us to pay liquidated damages as stipulated in the concession agreement, or may lead to forfeiture of security deposits, or lead to encashment and appropriation of the bank guarantee or performance security.

The relevant authority may also be entitled to terminate the concession agreement in the event of delay in completion of the work if the delay is not on account of any of the recognised exceptions. In the event of such termination, we may only receive partial payments under such agreements and such payments may be less than our estimated earnings from such agreements. Further, we may not be able to obtain extensions for projects on which we face delays or time overruns.

Further during the construction stage, the concession agreements require that the HAM project companies achieve financial closure by a date specified in the relevant concession agreement. In future, there can be no assurance that we will be able to achieve financial closure as provided in the concession agreements or complete the future projects within specified schedules or at all. Timely completion of construction of our HAM and BOT projects is subject to various execution risks as well as other matters, including securing financing and receipt of relevant approvals for such projects.

Delays may result in cost overruns, lower returns on capital and reduced revenue for the project companies thus impacting the project's performance, as well as failure to meet scheduled debt service payment dates and increased interest burdens from our financing arrangements for the projects. For example, for our Arawali Kante Road Project and Kante Waked Road Project, the respective HAM project companies have sought extension of time for the scheduled completion date due to delays not attributable to the HAM project companies. We cannot assure you that such extension would be granted on terms favourable to us or at all. Further, we cannot assure you that we will be able to claim the loss of profit and additional expenses incurred on account of such delay from the relevant authorities. Failure to complete our projects on time or obtain extension from the relevant authorities on terms favourable to us may adversely affect the business, cash flows, results of operation and financial condition.

11. ***Our business is significantly dependent on our ability to accurately forecast traffic volumes for our projects. Further, any material decrease in the actual traffic volume as compared to our forecasted traffic volume could have a material adverse effect on our cash flows, results of operations and financial condition.***

While we prepare our tender for a toll collection or OMT project, we need to forecast the traffic volume for the road in order to estimate our expected revenue over the period of the contract and to arrive at the bid amount. In such instances, if the traffic volume is less than our forecasted traffic volume, the revenue from such toll collection or OMT project may be lesser than expected and may lead to losses or lower than expected profits on such contract. While we have an experienced traffic survey team which has conducted surveys on various national highways, state highways, expressways, bypasses and bridges, forecasting of traffic volumes cannot be made with certainty and we cannot assure you that our forecasts will be accurate.

Traffic volumes may be affected by various external factors beyond our control, including, toll rates, fuel prices in India, the affordability of automobiles, location of the toll road projects, the quality, convenience and travel time on alternate routes outside our network, cost, convenience and availability of alternate means of transportation, including rail networks and air transport, the level of commercial, industrial and residential development in areas served by our projects, growth of the Indian economy, adverse weather conditions and seasonal holidays.

In addition, traffic volumes are also influenced by the convenience and extent of a toll road's connections with other parts of the local and national highway and toll road network. There can be no assurance that future changes affecting the road network in India, through road additions and closures or through other traffic diversions or redirections, or the development of other means of transportation, such as air or rail transport, will not adversely affect traffic volume on our toll roads. Further, local roads and state highways may be improved so as to serve as alternate routes to our projects, and tolls may or may not be charged on such local roads and state highways. The existence or improvement of such alternative roads and highways may also result in a diversion of vehicular traffic from our projects and a reduction of revenue from toll receipts. In the event that we experience a significant decrease in traffic volumes on our toll roads, we will experience a decrease in our revenues, profitability, cash flows, financial condition and the results of operations all of which may be materially and adversely affected.

Further, many of our contracts do not include any restrictions on the GoI from building or upgrading competing roads and such roads may not necessarily be subject to payment of toll. While our OMT contracts with NHAI have non-compete provisions with respect to roads to be constructed by the NHAI and any other government instrumentality for the term of the contract, these restrictions are no longer applicable if the traffic on the road exceeds pre-specified limits in any year. Competing roads or other alternative modes of travel may have a significant adverse impact on the toll revenues of the relevant roads and thereby materially and adversely affect our results of operations and financial condition.

12. ***Almost all of our long-term projects are operated through our Subsidiaries or joint ventures and we are subject to certain restrictions with respect to disposition of shares held by us in such Subsidiaries or joint ventures, and we are liable for acts done by such Subsidiaries and joint ventures until such projects achieve their commercial operation date.***

Almost all of our Long Term Projects, except the Delhi Entry Points Project, are either held through our Subsidiaries or joint ventures.

Under the Mumbai Entry Points Project agreement, our Company is required to hold a minimum of 26.00% of the share capital of MIPL during the contract period. Under the terms of our agreements for the Hyderabad Bangalore OMT Project with NHAI, we are required to retain (along with other consortium members) 51.00% of the share capital of the Subsidiary operating the project, for the contract period and any change of control over such subsidiary (which, under the OMT contracts with NHAI, includes transfer of legal/beneficial ownership or control over 15.00% of the equity of such entity) requires the prior approval of the authority concerned. In addition, under the terms of the concession agreements for our HAM JV Companies with the NHAI, we are required to hold (together with associates) not less than 51.00% of the issued and paid-up share capital of the HAM JV Companies operating the respective project, until two years of the commercial operation date and our Company is required to hold at least 26.00% of issued and paid-up share capital of the HAM JV Companies during the two and a half years construction period of the respective HAM Projects and two years subsequent to the date of commercial operation date of the relevant project, together with its associates. Such restrictions may adversely affect our ability to raise funds, if required, by selling a substantial stake or effecting change of control in any of our projects. Any delay or failure to obtain approval of the authority may result in a delay in execution of our growth plans and may in turn have an adverse effect on our business.

In the event of insolvency and consequent winding up of any such subsidiary or such HAM JV Companies, our Company's claims to the assets of such subsidiary or the HAM JV Companies, as a shareholder, would remain subordinated to claims of lenders or other creditors. Similarly, if any liability for any acts of our subsidiary or the HAM JV Companies matures upon us, it could have a material adverse effect on our results of operations, financial condition and cash flows.

13. ***We were required to prepare and present our financial statements under Ind AS with effect from April 1, 2016. Our Ind AS financial statements for Fiscal 2016 and Fiscal 2017 and for the nine months ended December 31, 2017 are not comparable with the historical Indian GAAP financial statements for Fiscal 2015 and Fiscal 2016 included in this Preliminary Placement Document.***

We were required to prepare financial statements in accordance with Ind AS for Fiscal 2017 (together with the corresponding standalone and consolidated financial statements under Ind AS for Fiscal 2016). Our historical financial statements for Fiscal 2015 and for Fiscal 2016 were originally prepared in accordance with Indian GAAP. Ind AS varies in many respects from Indian GAAP, and accordingly our Ind AS financial statements for Fiscal 2016 and Fiscal 2017, the six months ended September 30, 2017 and for the nine months ended December 31, 2017 are not comparable with our historical Indian GAAP financial statements for Fiscal 2015 and Fiscal 2016. For further information, see "Note 1A – Notes to Reconciliation" of our Ind AS Audited Consolidated Financial Statements for Fiscal 2017 in "Financial Statements" on page F-208. In this Preliminary Placement Document we have included (i) the Indian GAAP Audited Standalone Financial Statements and the Indian GAAP Audited Consolidated Financial Statements for Fiscal 2015 and Fiscal 2016; (ii) the Ind AS Audited Standalone Financial Statements and the Ind AS Audited Consolidated

Financial Statements for Fiscal 2016 and Fiscal 2017; (iii) the reviewed Ind AS Standalone Condensed Financial Statements and the reviewed Ind AS Consolidated Condensed Financial Statements for the six months ended September 30, 2017 and the nine months ended December 31, 2016 and 2017. Our Ind AS Audited Financial Statements for Fiscal 2016 and Fiscal 2017 also include reconciliation statements of the effect of transition from Indian GAAP to Ind AS in accordance with Ind AS 101 – First time adoption of In-dian Accounting Standards.

We have therefore included herein management's discussion and analysis of our financial performance (i) comparing Ind AS Audited Consolidated Financial Statements for Fiscal 2017 with the Ind AS Audited Consolidated Financial Statements for Fiscal 2016; and (ii) comparing the Indian GAAP Audited Consolidated Financial Statements for Fiscal 2016 with the Indian GAAP Audited Consolidated Financial Statements for Fiscal 2015. We have also included herein management's discussion and analysis comparing our Ind AS Consolidated Condensed Financial Statements for the nine months ended December 31, 2017 with the Ind AS Consolidated Condensed Financial Statements for the nine months ended December 31, 2016. In addition, the Ind AS Condensed Financial Statements for the nine months ended December 31, 2016 and 2017 included herein are presented in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and the presentation of such financial statements varies from the presentation of the Ind AS Audited Financial Statements for Fiscal 2016 and 2017 included herein. The Ind AS Condensed Financial Statements for the nine months ended December 31, 2016 and 2017 are incomplete in that they do not include the statement of assets and liabilities or any cash flow information in accordance with applicable regulations of the United States or other jurisdiction.

There can be no assurance that the impact of Ind AS on our future financial statements will not be more significant or that they will be comparable to the information provided in such Ind AS reconciliation information. There is not yet a significant body of established practice on which to draw informed judgments regarding its implementation and application. Additionally, Ind AS differs in certain respects from IFRS and U.S. GAAP and therefore financial statements prepared under Ind AS may be substantially different from financial statements prepared under IFRS and U.S. GAAP. Accordingly, the degree to which the financial information included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Potential investors should consult their own professional advisors for an understanding of the differences between Ind AS with IFRS and U.S. GAAP and how those differences might affect the financial information disclosed in this Preliminary Placement Document. There can be no assurance that our financial condition, results of operations, cash flows or changes in shareholders' equity in future will not appear materially worse under Ind AS than under Indian GAAP. The estimates and assumptions used in the preparation of our financial statements in accordance with Ind AS will be based upon management's evaluation of the relevant facts and circumstances as on the date of the relevant financial statements, and such estimates and underlying assumptions may be reviewed in the future on an ongoing basis. We may also encounter difficulties in the ongoing process of implementing and enhancing our management information systems.

14. ***Our OMT and HAM related business is substantially dependent on our ability to accurately carryout the pre-bidding engineering studies for bidding in such projects. Any deviation during the implementation and operation of the project as compared to our pre-bid engineering studies could have a material adverse effect on our cash flows, results of operations and financial condition.***

In addition to our in-house experience in engineering survey, we also appoint technical consultants to carry out detailed inspection of the relevant HAM or OMT project area and to record and highlight important features and identify any issue that may be of importance in terms of implementation and operation of such HAM or OMT project. While we hire technical consultants for the purpose of carrying our pre-bidding engineering studies, we may not able to assure the accuracy of such studies. The accuracy of the pre-bidding studies is dependent on the following key elements:

- preparing a project road map based investigations of the project site which include amongst other, pavement conditions, major water bodies, indication of any notified forest, right of way details, sensitive receptors on the project site;
- undertaking engineering surveys and preliminary designs which broadly include carrying out inventory and detailed condition surveys, carrying our preliminary pavement investigations, availability of construction materials, identification of geometrically deficient stretches, investigating intersections and stretches and implementing design in accordance with environmental and social concern;
- preparation of O&M estimates for the entire concession period of the project; and
- preparation of bills of quantities, in consultation with our Company covering all the items required in the work.

Any deterrence or deviation in the estimation and calculation of the aforementioned key elements, may hamper the quality of the pre-bid engineering study, on which we rely before submitting any tenders for the relevant HAM or OMT projects. Any deviation during the implementation and operation of the project as compared to our pre-bid engineering studies could have a material adverse effect on our cash flows, results of operations and financial condition.

15. ***Our statutory auditors have highlighted certain qualifications and matters of emphasis to their audit report relating to our historical audited standalone and consolidated financial statements, which may affect our future financial results.***

Our statutory auditors have highlighted certain qualifications and matters of emphasis to their audit opinion relating to our historical audited standalone and consolidated financial statements. For details, see "Management's Discussion on Financial Condition and Results of Operations – Auditor Observations" on page 121.

There can be no assurance that our statutory auditors will not include such qualifications, matters of emphasis or other similar comments in the audit reports to our audited financial statements in the future, or that such qualification or matters of emphasis will not affect our financial results in future fiscal periods. Investors should consider these qualifications, matters of emphasis and related remarks in evaluating our financial condition, results of operations and cash flows. Any such qualification in the auditors' report on our financial statements in the future may also adversely affect the trading price of the Equity Shares.

16. ***Rising interest rates could reduce the profitability of our projects and affect our results of operations and financial condition.***

Almost all of our indebtedness is on floating interest rates basis and our projects, involving substantial upfront payments, involve a substantial debt component. Accordingly, the profitability of our projects is affected by, among other things, the prevailing interest rates. Changes in prevailing interest rates affect our interest expense in respect of our borrowings and our interest income in respect of our interest on short term deposits with banks. Most of our current debt facilities carry interest at floating rates with the provision for periodic reset of interest rate spread. In Fiscal 2017 and in the nine months ended December 31, 2017, finance costs represented 27.16% and 21.51%, respectively, of our total income in such periods.

A significant increase in interest rates or continuation of a high interest rate environment may have an adverse effect on our results of operations and financial condition. While we could consider re-financing the loan or hedging interest rate risks in appropriate cases, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks. Further, if such arrangements do not protect us adequately against interest rate risks, they would result in higher costs.

17. ***We rely on third parties, including contractors and sub-contractors, to complete certain projects and any failure arising from the non-performance, late performance or below par performance by such third parties, failure by a third-party subcontractor to comply with applicable laws, to obtain the necessary approvals, or provide services as agreed in the contract could affect the completion of our contracts resulting in penalties or other losses.***

We are engaged as a principal contractor for the construction of HAM and OMT projects and we have sub-contracted work on our HAM and OMT projects. When we are the principal contractor, we rely on third-party subcontractors we hire to perform the work under our EPC contracts. When we sub-contract, payments may depend on the sub-contractor's performance. We also rely on third-party equipment manufacturers or suppliers to provide the equipment and materials used for construction of the HAM or OMT projects. The engagement of subcontractors is subject to certain risks, including difficulties in overseeing the performance of such subcontractors in a direct and effective manner, failure to complete a project where we are unable to hire suitable subcontractors, or losses as a result of unexpected subcontracting cost overrun. As the subcontractors have no direct contractual relationship with our clients, the HAM JV Companies and the OMT project companies, we are subject to risks associated with non-performance, late performance or poor performance by our subcontractors. As a result, we may experience deterioration in the quality of our projects, incur additional costs, or be exposed to liability in relation to the performance of subcontractors under the relevant contracts, which may have an impact on our profitability, financial performance and reputation, and may result in litigation or damages claims.

In addition, we may also be subject to claims arising from defective work performed by subcontractors. While we may attempt to seek compensation from the relevant subcontractors, who may not be able to perform or perform in a timely manner their obligations, we may be required to compensate the HAM JV Companies or the OMT project companies before receiving compensation from the subcontractors. If no corresponding claim can be asserted against a subcontractor, or the amounts of the claim cannot be recovered in full or at all from the subcontractor, we may be required to bear some or all the costs of the claims, in which case our business, financial position, results of operations and prospects could be materially and adversely affected.

Further, when we sub-contract, we may be liable to the HAM JV Companies and the OMT project companies due to failure on the part of a sub-contractor to maintain the required performance standards or insufficiency of a sub-contractor's performance security. Any failure arising from the non-performance, late performance or below par performance by such third parties, failure by a third-party subcontractor to comply with applicable laws, rules or regulations or provide services as agreed in the contract or failure on our part to engage the correct third party consultants and service providers could affect the completion of our EPC contracts and could negatively impact our business and may result in fines, penalties or even delay and suspension of work and/or contracts.

In addition, if we are unable to hire qualified subcontractors or find competent equipment manufacturers or suppliers, our ability to successfully complete a project could be affected. If the amount we are required to pay for subcontractors or equipment and supplies exceeds what we have estimated, we may suffer losses on these contracts. If a supplier, manufacturer or subcontractor fails to provide supplies, equipment or services as required under a negotiated contract for any reason or if a subcontractor engaged by us has misrepresented its qualification or eligibility to undertake a specific project, we may be required to source these supplies, equipment or services or a replacement for such sub-contractor (as the case may be) on a delayed basis or at a higher cost than anticipated, which could impact contract profitability. Any such misrepresentation by a subcontractor as to its qualification or eligibility may also affect our ability to successfully complete a project and thereby harm our reputation. The risk of failure by a supplier, manufacturer or subcontractor to provide supplies, equipment or services may intensified during an economic downturn if our suppliers, manufacturers or subcontractors experience financial difficulties or find it difficult to obtain sufficient financing to fund their operations or access to bonding, and are not able to provide the services or supplies necessary for our business.

18. ***Any claims under the Land Acquisition Act, 1894 and the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 or delays in the acquisition of private land or eviction of encroachments from government owned land by the government may adversely affect the timely performance of our contracts leading to disputes with the Government.***

We handle various types of major and minor road infrastructure projects. Typically, our contracts with the GoI and/or state governments expressly provided that the responsibility for obtaining the right of way for the roads under a project lies with the GoI and/or state government. Failure to acquire such a right of way by the GoI or state governments could result in us changing, delaying or abandoning entire projects, which in turn could adversely affect our business. We will continue to face risks associated with implementation which could be due to reasons including those beyond our control which can include, among others, non-availability of environmental clearances, delay in acquisition of land by the government, or other delays from the relevant authority or joint venture partners with whom we have entered into contractual arrangements.

Further, the GoI and/or state governments may obtain land clearances on which these projects are implemented, we may not have copies of supporting documentation for the land acquisition. In the event that the affected landowners seek to bring claims objecting to the acquisition of their land for a particular road, it is possible that the landowners may also make claims against us or join us as parties to these proceedings. In case of such claims, while we believe we would not be liable to pay any compensation (as right of way is to be provided by the client), we face a risk of delay in project implementation or other intangible losses such as loss of reputation or distraction of management time.

19. ***Our inability to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate our business could have a material and adverse effect on our business and results of operations.***

We require certain approvals, licenses, registrations and permissions for our business and operations. We may also need to apply for further approvals in the future including renewal of approvals that may expire from time to time. Further, we are also required to obtain various approvals for the purpose of operating our projects. There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all. Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may adversely affect our operations.

20. ***Our concession agreements contain certain restrictive covenants which could limit our flexibility in managing our business or projects and result in an adverse effect on our financial conditions and results of operations.***

In the course of our operations, we have entered into various concession agreements with relevant authorities for our projects. Our concession agreements typically contain restrictive covenants and obligations, which require the prior consent of the relevant authority to undertake certain actions, including, for example, the amendment or modification of project agreements, creation of encumbrance or security interest, selection or replacement of contractors.

We cannot assure you that any failure to comply with such restrictive covenants will not constitute an event of default under the relevant concession agreements and could result in situations, such as, amongst others, payment of damages to the relevant authority or termination of our concession agreement by the lenders or the relevant authority. In addition, we may be restricted in our ability to, among other things, increase toll rates, sell our interests to third parties, undertake expansions and contract with certain third parties. These restrictions may limit our flexibility in operating these projects, which could have an adverse effect on our cash flows, results of operations and financial condition.

21. ***A delay and/or failure in the supply of materials, services and goods from third parties at acceptable prices and quality or at all may materially and adversely affect our business, results of operations and prospects.***

We rely on third parties for the timely supply of specified raw materials, equipment and maintenance services. Although we actively manage these third-party relationships to ensure continuity of supplies on time and to our required specifications, some events beyond our control could result in the complete or partial failure of supplies or in supplies not being delivered on time. Any such failure could materially and adversely affect our business, results of operations and prospects.

The construction of HAM projects is also affected by the availability, cost and quality of the raw materials we need, to construct and develop our projects, particularly steel, bitumen, diesel and cement. The prices and supply of raw materials depend on factors not under our control, including general economic conditions, competition, production levels, transportation costs and import duties. There is a risk that our primary suppliers may curtail or discontinue delivery of raw materials in quantities we need and/or at prices that are competitive. Fluctuations in the prices of the underlying raw materials may also indirectly impact the prices of equipment and components procured for our operations. Any failure to obtain the raw materials we need for our projects at acceptable prices and quality or at all would materially and adversely affect our business, results of operations and prospects.

22. ***We may not be successful in implementing our growth and other business strategies, or effectively managing the growth in our operations. An inability to effectively manage our growth may adversely affect our business prospects.***

The success of our business will depend greatly on our ability to effectively implement our business strategies and manage our growth. For further details, see “Our Business – Business Strategies” on page 160. Even if we have successfully executed our business strategies in the past, there can be no assurance that we will be able to successfully pursue our growth strategies, or that pursuing these strategies will provide us the anticipated benefits in terms of growth and profitability. Further, we may be unable to develop adequate systems, infrastructure and technologies, devote sufficient financial resources or develop and attract talent (whether in-house or lateral) to manage our growth. We also expect our strategies to place significant demands on our management and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to pursue these strategies successfully or at all, or an inability to manage our growth, may adversely affect our prospects. Further, our growth strategies depends on our success in securing the award of new projects.

Further, as we continue to grow, we must continue to improve our managerial, technical and operational knowledge and allocation of resources, and implement an effective management information system. In order to fund our ongoing operations and future growth, we need to have sufficient internal sources of liquidity or access to additional financing from external sources. We will need to further strengthen our internal control and compliance functions to ensure that we will be able to comply with our legal and contractual obligations and minimize our operational and compliance risks. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business and operations and training an increasing number of personnel to manage and operate the expanded business. There can be no assurance that we will be able to successfully manage our growth or that our expansion plans will not adversely affect our existing operations and thereby have a material adverse effect on our business, financial condition, results of operations and future prospects.

In addition, the projects we undertake increasing in scale and complexity. We must continue to improve our project management system and supporting infrastructure, such as our information technology, human resources systems, business development system and training programs, in order to ensure that we will be able to continue to successfully execute large, complex projects on a timely basis. There can be no assurance that we will be able to improve our project management system and supporting infrastructure at a rate commensurate with the increase in size and complexity of the projects that we undertake, and any resulting impairment in our project management and execution capabilities may have a material adverse effect on our business, financial condition, results of operations and future prospects.

23. ***Failure to achieve financial closure within a stipulated period of time for our future OMT projects and HAM projects would attract penalty and may also lead to termination of the contract.***

The terms of our contracts for our OMT projects and HAM projects, require us to achieve financial closure for the projects within a stipulated period from the date of signing of the contract or the date of the letter of acceptance, as the case may be. If we are unable to achieve financial closure within the stipulated period, then the contract contemplates payment of damages to the relevant entity. For instance, the entire bid security amount paid by us may be appropriated as damages by the relevant entity, in the event of our failure to achieve financial closure within the specified time. The contracts for our OMT projects and HAM projects also provide that in the event the financial closure is not achieved within the stipulated date or the extended date, the contract shall be deemed to have been terminated by mutual consent of the parties. The contracts that we may enter into in future may have similar or more stringent terms. We cannot assure you that we will be able to achieve financial closure in time or at all for our future projects. Any delay in achieving financial closure could result in us having to pay damages as per the terms of the contract or the contract being terminated in accordance with its terms, thereby adversely affecting our financial condition, cash flows and results of operations.

24. ***Failure to provide performance security may result in forfeiture of bid security or earnest money deposit and termination of the relevant tolling contract thereby affecting our results of our operations, financial condition and our prospects.***

We are required to deliver a performance security to the authority in terms of the contract entered into with the authority and are also required to ensure that the performance security is valid and enforceable until the expiry of the contract or until we remedy any defects during the defects liability period or until such other period as is stipulated under the relevant contract. If we are not able to provide/extend the performance security within the stipulated period with respect to the project, then the relevant contract may be terminated and the bid security or the earnest money deposit provided can be encashed, which could have a material adverse effect on our prospects. It may also result in us being banned by the authority affecting our ability to bid for future tenders or secure future contracts with the authority. Further, the authority has the right to encash the performance security submitted by us in the event of a failure on our part to comply with the terms of the contract and we are required to replenish the performance security in such cases. Any failure on our part to replenish the performance security within the stipulated period may result in the contract being terminated which could have a material adverse effect on our business and results of operations.

25. ***Our ability to negotiate standard form of government contracts may be limited and we may be required to accept unusual or onerous provisions in such contracts, which may affect the efficient execution and profitability of our projects.***

All our project contracts are entered into with government authorities and our ability to negotiate the terms of contracts with the GoI and state government authorities is limited. As a result, we may be required to accept unusual or onerous provisions in such contracts in order to be engaged to execute such projects. For instance, the terms laying out our obligations as well as tolling rates for our projects are determined by the government entities and we are not permitted to amend such terms or tolling rates. The toll rates set by government entities depend on various factors such as inflation rate, nature/category of vehicles that use the roads that make up our projects, tollable length of normal stretch, length and cost of bypasses, cost of permanent bridge or tunnel, structures. We cannot assure that the tolling rates set would be sufficient to recover our costs.

In addition, our ability to receive compensation on account of termination by the government entities is limited. Further, under our OMT and HAM concession agreements with NHAI, NHAI has the right to change the scope of work to include additional work which was not contemplated at the time of execution of the contract. Such onerous conditions in the government contracts may affect the efficient execution of these projects and may have adverse effects on our profitability.

26. ***We may face local opposition or politically supported protests against collection of tolls at our projects which may have an adverse impact on our business, cash flows and results of operations.***

Multiple toll road projects being set up by the GoI along with rising fuel prices may lead to public resistance in paying toll charges on our road projects. Any such resistance in paying toll charges, may have an adverse impact on our business, cash flows and results of operations. In particular, we may face local opposition or politically supported protests against collection of tolls at our projects. We have in the past experienced such oppositions in certain toll plazas in our Mumbai Entry Point project and the RGSL Project. Further, we may also face oppositions against any increase in the existing toll rates for our projects. Such oppositions and protests could result in disruption of operations at our projects and there can be no assurance that disruptions will not be experienced in the future due to local oppositions against toll collection or increase in the existing toll rates, which may adversely affect our business, cash flows and results of operations.

27. ***Our business operations are heavily reliant on our information technology systems. Any failure of or disruptions in our systems could have an adverse impact on our operations and financial condition. Further, if we are unable to successfully implement new technologies, we may be unable to compete effectively, which may lead to higher costs and loss of business.***

Our business and operations are largely dependent on our information technology systems for our day-to-day operations, including those at our toll plazas. We use a combination of semi-automated and fully automated toll collection system at our toll booths to collect and store traffic and payment data and use security systems and equipment at our toll booths including video and image capturing equipment to minimize cash pilferage. We cannot assure you that our information technology system will remain free of any interruptions and will meet our requirements or be suitable for use in any particular condition. So far, we have not experienced widespread disruptions of service to our customers, but there can be no assurance that we may not encounter disruptions in the future. Any inability to maintain the reliability and efficiency of our systems could adversely affect our reputation and our prospects. Any disruptions in our information technology systems in the future could adversely affect the functioning of our toll plazas and may impact recovery of toll at the plazas which use electronic toll collection systems, for the period of such disruption, adversely affecting our business for such period.

In addition, our business and operations requires us to keep pace with technological advancements and we believe tolling operations, operation and maintenance activities and construction and EPC related activities will require increased use of technology in the future, to save time and decrease costs. Our future success depends in part on our ability to respond to technological advancements and emerging standards and practices on a cost-effective and timely basis, in tolling operations, operation and maintenance activities and construction activities. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs (in comparison to our competitors who may be able to successfully implement such technologies) and lead to us bidding at lower margins/loss of bidding opportunities vis-a-vis such competitors.

28. ***We face significant competition. Our inability to compete effectively may lead to an adverse effect on our prospects and business.***

We operate in a competitive environment. Some of our competitors may have greater industry experience and substantial financial, technical and other resources which enables them to undertake larger projects or to obtain better financing arrangements. While we believe that we have a sufficient track record and experience in undertaking toll management, OMT and HAM projects, we cannot assure you that we can continue to compete effectively with our competitors in the future, and failure to compete effectively may have an adverse effect on our business, results of operations and financial condition. We may not always meet the pre-qualification criteria in our own right, as a result, we may need to partner or collaborate with other companies. We also face competition from other bidders in a similar position looking for suitable joint venture partners for pre-qualification requirements. If we are unable to partner with other companies or lack the credentials to be the partner-of-choice for other companies, we may lose the opportunity to bid for, and therefore fail to increase or maintain our volume of new construction contract orders.

In the EPC segment, we face significant competition in our business from a large number of infrastructure and road development companies who also operate in the same regional markets as us. Some of our competitors are better known in our markets and may commence operations in the vicinity of our current projects.

Our inability to effectively manage such competitive pressures and manage our costs efficiently, it could have a material adverse effect on our operating margins, business growth and prospects, financial condition and results of operations.

29. ***The currency demonetisation measures imposed by the Government of India adversely affected the Indian economy and similar unanticipated measures may adversely affect our business our business operations, financial condition, results of operations and financial condition.***

On November 8, 2016, the Indian government announced phasing out of large-denomination currency notes of ₹ 500 and ₹ 1,000 as legal tender which led to a decrease in liquidity of cash and consequently, spending, in India. Such unanticipated measures and other similar unanticipated measures may adversely affect our business our business operations, financial condition, results of operations and financial condition.

Pursuant to the demonetization, the GoI announced a temporary suspension of toll collection from November 9, 2016 until December 2, 2016 at most our toll roads. The NHAI issued office orders dated November 29, 2016 and December 6, 2016 and a circular dated November 21, 2016 to specify the compensation mechanism for toll road operators in relation to such demonetization. Accordingly, we were unable to collect tolls during this period and have raised certain claims on account of demonetization to the concerned authorities.

30. ***We are required to meet specifications and standards of operation and maintenance in relation to our OMT projects. We may be subject to increase in operation and maintenance costs to comply with such specifications and standards, which may adversely affect our business, financial condition, cash flows and results of operations.***

The contracts for our OMT projects specify certain operation and maintenance standards and specifications to be met by us while undertaking our operation and maintenance activities. These specifications and standards require us to incur operation and maintenance costs on a regular basis. The operation and maintenance costs depend on various factors and may increase on account of factors beyond our control including unanticipated increases in material and labour costs, the standards of maintenance or road safety applicable to our projects prescribed by the relevant regulatory authorities, restoration our projects in the event of any landslides, floods, road subsidence, other natural disasters, accidents or other events causing structural damage or compromising safety or higher axle loading, traffic volume or environmental stress leading to more extensive or more frequent heavy repairs or maintenance costs. The cost of major repairs may be substantial and repairs may adversely affect traffic flows.

An increase in operation and maintenance expenses beyond the amounts budgeted by us at the time of bidding may have a material adverse effect upon the profitability of that project and may materially affect our results of operations and financial condition. Any failure to meet quality standards may expose us to the risk of penalties during the contract period when our obligations are secured by performance guarantees.

31. ***We have in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that we could not have achieved more favourable terms if such transactions had been entered into with third parties.***

We have in the course of our business and operations entered into, and will continue to enter into, several transactions with our related parties. For further details, see "Financial Statements" on page 244. While we believe that all such transactions have been conducted on an arms-length basis, there can be no assurance that we would not have achieved more favorable commercial terms with other parties. Further, we may enter into related party transactions in the future, and such transactions may potentially involve conflicts of interest which may be detrimental to our Company. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, financial condition and cash flows.

32. ***The failure of a joint venture partner to perform its obligations could impose additional financial and performance obligations resulting in reduced profits or, in some cases, significant losses from the joint venture.***

We enter into various joint ventures with domestic as well as international construction companies as part of our business and operations. The success of these joint ventures depends significantly on the satisfactory performance by our joint venture partner and fulfilment of its obligations. If our joint venture partners fail to perform these obligations satisfactorily, the joint venture may be unable to perform adequately or deliver its contracted services. In this case we may be required to make additional investments and/ or provide additional services to ensure the adequate performance and delivery of the contracted services as we are subject to joint and several liabilities as a member of the joint venture, in most of our projects. Such additional obligations could result in reduced profits or, in some cases, significant losses for us. The inability of a joint venture partner to continue with a project due to financial or legal difficulties could mean that we would bear increased and possibly sole responsibility for the completion of the project and bear a correspondingly greater share of the financial risk of the project.

33. ***Our construction activities may be affected by difficult work sites and environments, which could cause delays and result in additional costs.***

Our construction work on HAM projects may involve various conditions and areas, and performing work under such conditions can result in project delays or cancellations, potentially causing us to incur additional, unanticipated costs, reductions in revenues or the payment of damages. Our HAM projects may involve challenging engineering, procurement and construction phases that may occur over extended time periods. We may encounter difficulties in engineering, delays in designs or materials provided by the customer or a third party, equipment and material delivery delays, schedule changes, delays from customer failure to timely obtain rights of way, weather-related delays and other factors, some of which are beyond our control, but which impact our ability to complete a project within the original delivery schedule. In some cases, delays and additional costs may be substantial and we may be required to cancel a project and/ or compensate the customer for the delay. We may not be able to recover any of such costs. Any such delays or cancellations, defects or errors or other failures could result in damages claims substantially in excess of the revenue associated with such project. Delays or cancellations could also negatively impact our reputation or relationships in the market, which could adversely affect our ability to secure new contracts.

34. ***We are involved in certain legal and other proceedings, which, if determined against us, could have a material adverse impact on our financial condition.***

We are involved in various legal proceedings in the ordinary course of our business and operations. These legal proceedings are pending at different levels of adjudication before various courts, tribunals, statutory and regulatory authorities/ other judicial authorities. Although it is our policy to make provisions for probable loss, we do not make provisions or disclosures in our financial statements when our assessment is that the risk is insignificant. These legal proceedings may not be decided in our favour and we may incur significant expenses and management time in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If any new developments arise, for example, rulings against us by the appellate courts or tribunals, we may face losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For further details, please see "Legal Proceedings" on page 236.

35. ***We may requiring additional borrowing to fund the HAM JV Companies and for our OMT projects in case of cost overruns.***

We may require additional borrowing for our HAM JV Companies and OMT projects for meeting any cost overruns. In particular, in terms of the shareholders' agreements entered into between the respective HAM JV Companies, Sanjose India and our Company, any further funding requirements of the HAM JV Companies shall be solely met by us. Further, in relation to Mahuva Kagavadar Project, Talaja Mahuva Project, Arawali Kante Project and Kante Waked Project, we are solely responsible for infusion of additional funds in situations where such HAM JV Companies require funds to meet any cost overruns (which are over and above the contribution requirement) for the purpose of the project.

36. ***We have limited experience in the execution of HAM projects and EPC related contracts***

The introduction of EPC projects on HAM basis is a relative new model introduced by the MoRTH. While based on our technical qualifications and financial scores, we have been awarded six HAM projects, our Company has limited experience in the projects under construction and generally in EPC activities. Our limited exposure to HAM and EPC projects may affect our ability to successfully execute such projects, which could hamper our growth prospects and may also damage our reputation.

37. ***Leakage of tolls collected at our projects may adversely affect our revenues and earnings.***

Collection of tolls at our projects is primarily and significantly dependent on the integrity of toll collection systems. If toll collection is not properly monitored, leakage may reduce our toll revenue. Users, fraud or technical faults may reduce the toll revenue through non-payment of toll in our systems. We have, in the past, faced certain instances of minor leakage of tolls collected. Further, toll-collection errors may amount to a loss of revenue as there is an inherent risk of under-collection of toll fees given that most users of toll roads pay in cash. Any significant failure by us to monitor and control leakage in toll-collection systems could have a material adverse effect on our business, prospects, results of operations and financial condition.

38. ***Compliance with, and changes in, environmental, health and safety laws and regulations or stringent enforcement of existing environmental, health and safety laws and regulations may result in increased liabilities and increased capital expenditures may adversely affect our cash flows, business results of operations and financial condition.***

Our project operations are subject to environmental, health and safety and other regulatory and/ or statutory requirements in the jurisdictions in which we operate. Our project operations may generate pollutants and waste, some of which may be hazardous. We are accordingly subject to various national, state, municipal and local laws and regulations concerning environmental protection in India, including laws addressing the discharge of pollutants into the air and water, the management and disposal of any hazardous substances, and wastes and the clean-up of contaminated sites. We may incur substantial costs in complying with environmental laws and regulations. We cannot assure you that compliance with such laws and regulations will not result in delays in completion, a material increase in our costs or otherwise have an adverse effect on our financial condition, cash flows and results of operations.

Further, construction activities in India are also subject to various health and safety laws and regulations as well as laws and regulations governing their relationship with their respective employees in areas such as minimum wages, maximum working hours, overtime, working conditions, hiring and terminating employees, contract labour and work permits. Accidents, in particular fatalities, may have an adverse impact on our reputation and may result in fines and/or investigations by public authorities as well as litigation from injured workers or their dependents.

Non-compliance with these laws and regulations, which among other things, limit or prohibit emissions or spills of toxic substances produced in connection with our operations, could expose us to civil penalties, criminal sanctions and revocation of key business licences. Environmental laws and regulations in India are becoming more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations or financial condition. In addition, we could incur substantial costs, our products could be restricted from entering certain markets, and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs.

39. ***A significant proportion of our revenues are derived from our current projects in Maharashtra, making us vulnerable to risks associated with having geographically concentrated operations.***

A significant proportion of our revenues are derived from our current projects in Maharashtra, making us vulnerable to risks associated with having geographically concentrated operations. In Fiscal 2017 and in the nine months ended December 31, 2017, 44.83% and 45.71% of our revenue from operations was generated from projects located in Maharashtra. Our business therefore will be significantly dependent on the general economic conditions, market conditions and natural disasters in the states in which we operate, in particular Maharashtra.

Regional factors that impact our profitability include general economic and political conditions in the region, laws and regulations, and the favourability of these states as investment destinations. As a result, our operations may be more adversely affected than businesses that have greater geographic diversity. Any one of these events may result in a material adverse change in our business, financial condition, results of operations and cash flows.

40. ***A downgrade in our credit rating could adversely affect our ability to raise capital in the future.***

Our financing agreements require us to obtain a credit rating from an independent agency. Our credit ratings, which are intended to measure our ability to meet our debt obligations, are a significant factor in determining our finance costs. The interest rates of certain of our borrowings may be significantly dependent on our credit ratings. A downgrade of our credit ratings could lead to greater risk with respect to refinancing our debt and would likely increase our cost of borrowing and adversely affect our business, financial condition, results of operations and prospects.

41. ***Our insurance policies may not protect us against all potential losses, which could adversely affect our business and results of operations.***

Our operations are subject to various risks inherent in the sectors in which we operate, as well as fire, theft, robbery, earthquake, flood, acts of terrorism and other *force majeure* events. Our insurance cover includes, among other things, insurance over standard perils including fire, machinery breakdown, and earthquakes. We maintain insurance for our operations largely through third party insurers. For further details, see "Our Business – Insurance" on page 173. While we believe that the insurance coverage which we maintain is in keeping with industry standards and would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be covered entirely, in part or on time, or that we have taken out sufficient insurance to cover all our losses.

We may not have identified every risk and further may not be insured against every risk, including operational risk that may occur and the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events or risks not covered by insurance policies or due to the same being inadequate, could materially harm our financial condition and future results of operations. There can be no assurance that any claims filed will be honoured fully or timely under our insurance policies. As a result, our financial condition may be affected to the extent we suffer any loss or damage that is not covered by insurance or which exceeds our insurance coverage. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all.

To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected.

42. ***We have had negative cash flows in recent periods. An inability to generate and sustain positive cash flows in the future may adversely affect our business, results of operation and financial condition.***

In the past, we have experienced negative cash flow from our investing activities and financing activities.

In Fiscal 2016, our net cash used in investing activities, under Ind AS, was ₹ 727.29 million, while in Fiscal 2015, our net cash used in investing activities, under Indian GAAP was ₹ 872.11 million. Our net cash used in financing activities was ₹ 3,736.38 million and ₹ 4,257.26 million in Fiscal 2016 and 2017, under Ind AS, respectively, while in Fiscal 2015 our net cash used in financing activities, under Indian GAAP was ₹ 2,156.19 million. We cannot assure you that we would be able to generate and/or maintain positive cash flows from various activities of our Company in the future. If we are unable to generate adequate cash from our operations, our financial condition and profitability could be adversely affected.

43. ***We had a negative net worth on consolidated basis as of March 31, 2017.***

As of March 31, 2017, we had a negative net worth of ₹ 79.15 million. While our net worth was positive as of September 30, 2017 and was ₹ 55.26 million, we cannot assure you that we will at all times have positive net worth in future.

44. ***Our Promoters have pledged Equity Shares of our Company with certain lenders. If the lenders exercise their rights and dilute the shareholding of our Promoter, it may adversely affect our business***

Our Promoters have pledged Equity Shares equivalent to 8.69% of the Equity Share capital of our Company. If the pledges are enforced, the shareholding of our Promoters in our Company may be diluted and we may face certain impediments in taking decisions on certain key strategic matters and will entitle the lenders to attend general meetings of our Subsidiaries or joint ventures, and exercise voting rights in respect of the pledged equity shares, which may adversely affect our business, results of operations and financial condition.

45. ***Our Company has pledged its equity shareholding in its Subsidiaries or joint ventures with certain lenders, in order for the Subsidiaries or the joint ventures to avail loans for the purpose of meeting its capital requirements. If the lenders exercise their rights and dilute the shareholding of our Company in the Subsidiaries or the joint ventures, it may adversely affect our business and financial condition.***

Our Company have pledged its equity shareholding in its Subsidiaries or joint ventures, in order for the Subsidiaries or the joint ventures to avail loans for the purpose of meeting its capital requirements. If the pledges are enforced, the shareholding of our Company in the Subsidiaries and joint ventures may be diluted and we may face certain impediments in taking decisions on certain key strategic matters and will entitle the lenders to attend general meetings of our Subsidiaries or joint ventures, and exercise voting rights in respect of the pledged equity shares which may adversely affect our business, results of operations and financial condition.

46. ***Corrupt practices or improper conduct may delay the development of a project and materially and adversely affect our results of operations.***

The construction industry is not immune to the risks of corrupt practices. Large construction projects in all parts of the world provide opportunities for corruption. Such corruption may include bribery, deliberate poor workmanship or the deliberate supply of low quality materials. If we, or any other person involved in any of the projects is the victim of or involved in any such corruption, our ability to complete the relevant projects as planned may be disrupted thereby materially and adversely affect our business, financial condition and results of operations.

47. ***Our workforce includes a substantial number of employees and individuals on a contract basis. We are subject to the risks relating to employee retention and management, especially those operating our toll plazas.***

We are dependent on our large workforce for the operation of our projects. As of December 31, 2017, we had 5,556 individuals employed which included 3,602 employees who were on our payrolls and 1,954 individuals who were employed on a contract basis working at different toll plazas, who had been hired through various agencies. For further details, see "Our Business – Employees" on page 172. We currently have operations in various states leading to a culturally diverse workforce, which creates challenges in employee retention and management. The rate of attrition of our toll operational staff has historically been high owing to various factors beyond our control, including a comparatively more comfortable working environment at certain other work places such as shopping malls and logistics parks. In addition, we use contract labour from time to time to for ancillary services at different toll plazas. If the attrition rate increases substantially in the future and if we are unable to maintain our workforce at the minimum required levels, our ability to operate our projects may be adversely affected and will be in breach of our contractual obligations. Further, if we are forced to materially increase our compensation levels to retain such workforce, it may lead to material additional costs, leading to an adverse impact on our profitability, results of operations and financial condition.

48. ***Our operations are labour intensive and our results of operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees, as well as due to unavailability of a sufficient pool of contract labour.***

Our operations are labour intensive and we are dependent on a large labour force for our business and operations. Shortage of skilled/ unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. Further, our employees are currently not represented by any labour union. Whilst we have not faced any strikes or material work stoppages in the past and consider our current labour relations to be satisfactory, there can be no assurance that future disruptions will not be experienced due to disputes or other problems with our work force, which may adversely affect our business and results of operations. In addition, we are also dependent on the availability of a sufficient pool of contract labour for ancillary services at different toll plazas. If the requisite number of contract labour is not available, our business and results of operations may be adversely affected.

49. ***Our revenues typically tend to fluctuate on a seasonal basis which may adversely affect our financial performance.***

Traffic volumes and consequently our revenues, typically register a decrease during monsoon on account of a decrease in number of persons travelling by road and a reduction in the cargo traffic. Further, heavy or unseasonal rains or other adverse weather conditions could adversely affect tolling operations at any of our projects, forcing us to temporarily suspend road availability and/or toll collection. Our maintenance expenses, in OMT projects, BOT projects and HAM projects (once the commercial operation date is granted) also tend to be higher during monsoons, on account of additional expenses on road maintenance. Such fluctuations may impact comparison of our reported quarterly financial performance across quarters.

50. ***Traffic saturation may occur on certain of our toll roads and an inability to resolve this problem could adversely affect the results of our operations.***

Our projects, which include toll roads, may experience high traffic levels and congestion at certain times of the day or on certain days of the week. Although we may consider possible solutions and take appropriate steps in order to ease traffic flow and reduce congestion on such roads, there can be no assurance that the saturation problems will be resolved under conditions that are economically satisfactory to us. This could also lead to user dissatisfaction and could potentially reduce the traffic volume which may adversely affect our business, financial condition and results of operations. Further, under some of our contracts, we are required to ensure that no vehicle has to wait for more than a specified period of time at the toll collection booth. Our inability to take appropriate steps to ease traffic flow and reduce congestion in the event of a traffic saturation problem, may therefore result in a breach of such contract giving a right to the authority to terminate the contract, which may adversely affect our business, financial condition and results of operations.

51. ***Projects awarded to us may be subject to litigation by unsuccessful bidders. We may be required to incur substantial expenses in defending such litigation and there is no assurance that we would prevail in litigation.***

Projects awarded to us may be subject to litigation by unsuccessful bidders. Legal proceedings may result in delay in award of the projects and/or notification of appointed dates, for the bids where we have been successful, which may result in us having to retain unallocated resources and as a result, it would adversely affect our results of operations and financial condition. Further, we may be required to incur substantial expenditure, time and resources in defending such litigation. Any unsuccessful outcome in any such proceedings may lead to termination of a contract awarded to us, which could have a material adverse effect on our future revenues and profits.

52. ***Our Company has provided corporate guarantees to the lenders of some of our Subsidiaries and joint ventures to secure the loans availed by such Subsidiaries or joint ventures.***

Our Company has provided corporate guarantees to the lenders of our Subsidiaries and HAM JV Companies to secure the loans availed by such Subsidiaries and HAM JV Companies. In the event that our Subsidiaries or the HAM JV Companies are not in a position to service its payment obligations under its loan facilities, we may be called upon by the lenders to fulfill such payment obligations as a guarantor. Any such instance may have adverse impacts on the financial condition, business and results of operations of our Company.

53. ***Our Company's ability to pay dividends in the future will depend on our future earnings, financial condition, cash flows and capital expenditure and there is no assurance that our Company will be able to pay dividends in the future.***

Our Company's ability to pay dividends in the future will depend on various factors including our earnings, financial condition and capital requirements and that of our Subsidiaries and the dividends they distribute to us. Our business model involves substantial upfront (or periodic) payments to statutory authorities towards bids awarded to us and some capital expenditure (to the extent required for operation and maintenance purposes under our OMT contracts and HAM projects and expenses of setting up tolling booths) and the recovery of the same (specially for long term contracts) is spread over a number of years. There is no assurance that we would have sufficient profitability and cash flow to pay dividends to the Shareholders. In addition, our Company's ability to pay dividends is also restricted under certain financing arrangements. There is no assurance that our Company will, or will have the ability to, declare and pay any dividend in the near or medium term and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our projects, financial condition and results of operations.

Further, our Company's ability to pay dividend will depend on dividend payout and other distributions from our Subsidiaries. Any restriction on the Subsidiaries' ability to make dividend pay outs or other distributions may adversely affect our results of operations.

54. ***Our projects are concentrated in the toll-road industry in India, and our business could be adversely affected by an economic downturn in that sector or industry.***

Our projects are concentrated in the toll road industry in India. This concentration may expose us to the risk of economic downturns in the toll-road industry to a greater extent than if our assets were more diversified across other industries in the infrastructure sector or other sectors of the economy.

55. ***We may be required to pay additional stamp duty if the concession agreements are subjected to payment of stamp duty as deeds creating leasehold rights or as development agreements.***

We may be required to pay additional stamp duty if the concession agreements are subject to payment of stamp duty as deeds creating leasehold rights or as development agreements. Certain concession agreements which our Company or our Subsidiaries or our joint ventures have entered into, relate to the letting of toll to the concessionaires in the form of a lease, or as development agreements and accordingly, in the future, such agreements may be required to be stamped as lease agreements, or as development agreements as applicable, which as a result would lead to an increase in our costs and could adversely affect our business and financial conditions. Further, although the concession agreements contain provisions for reimbursement by the concessioning authority in the event of a change in law, the imposition of additional stamp duty may not be considered to be a change in law requiring the concessioning authority to compensate us for the financial burden and/or amend the concession agreements.

56. ***Our inability to collect receivables from concessioning authorities or other third parties on time or at all may adversely affect our cash flows, business, results of operations and financial condition.***

There may be delays associated with the collection of receivables, such as grant and annuity, from concessioning authorities and other third parties, including Government owned, controlled or funded entities and related parties. We cannot assure you that we will be able to collect our receivables in time or at all which may have an adverse effect on our cash flows, business, results of operations and financial condition**.**

57. ***Deflation may materially and adversely affect our results of operations and financial condition.***

The toll rates specified under the concession agreements entered by us are subject to revision on account of inflation. In case of deflation, the toll rates may be adjusted downwards.

Such downward adjustment may decrease our income from toll collection and our results of operations and financial condition may be materially and adversely affected.

58. ***We have certain contingent liabilities. Any increase in or realisation of our contingent liabilities could have a material adverse effect on our business, financial condition, results of operations and prospects***

Our contingent liabilities were ₹ 28,521.12 million and ₹ 27,704.01 million, as of March 31, 2017 and as of September 30, 2017, respectively. These comprised the following:

Particulars	As at March 31, 2017	As of September 30, 2017
	Ind AS	
	(₹ million)	
Claims made against the Company not acknowledged as debts by the Company	2,353.44	1,536.33
Guarantees given by banks	6,389.99	6,389.99
Corporate guarantees given	19,777.69	19,777.69
Total	**28,521.12**	**27,704.01**

For further details, see "Financial Statements" on page 244.

We cannot assure you that any or all of these contingent liabilities will not become direct liabilities. In the event any or all of these contingent liabilities become direct liabilities, it may have an adverse effect on our business, financial conditions and results of operations.

59. ***We depend on our senior management and Key Management Personnel for our business and future growth. If we are unable to attract or retain key executives or Key Management Personnel, our operations may be adversely affected.***

Our business and future growth is substantially dependent on the continued services and performance of our key executives, senior management and skilled personnel. Our Key Management Personnel along with our senior management team, have been responsible for the growth of our business. In particular, our Promoter and the Chairman & Managing Director, Jayant D. Mhaiskar, our Deputy Managing Director, Murzash Manekshana and our senior management are critical to the overall management of our Company. We also depend in large part on our other senior management and key personnel for our continued success. While the attrition rates for our senior management are not significant, any of them may choose to terminate their employment with us at any time. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. The specialized experience we require can be difficult and time-consuming to acquire and/or develop and, as a result, such skilled personnel are often in short supply.

We may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with our Company. Our ability to compete effectively depends on our ability to attract new and skilled employees and to retain and motivate our existing employees. We may be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting skilled employees that our business requires. If we do not succeed in attracting well-qualified employees or retaining or motivating existing employees, our business and prospects for growth could be adversely affected.

60. ***Our Company has certain registered trademarks. Failure or delay in renewing the same in the future may impact the Company's rights to use them.***

We have registered trademark for the name as well as logo of our Company under various classes with the registrar of trademarks. We also have registered trademark for the logo of five of our Subsidiaries, being RTRPL, RTBPL, RVPL, MIPL and RTPL under various classes. We have applied for registration of trademark for the logos of one of our Subsidiary, being, BTPL, which is currently pending. For further information, see "Our Business – Intellectual Property" on page 173. Any failure to renew registration of these trademarks, may impact our right to use them in future. Further, there can be no assurance that third parties may not infringe or copy our trademarks. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks, which may adversely affect our business, financial condition and results of operations.

61. ***Our Company has unsecured loans that may be recalled by the lenders at any time.***

Our Company has availed unsecured loans which may be recalled by their respective lenders at any time. In the event that any lender seeks the accelerated repayment of any such loan, it may have a material adverse effect on the business, cash flows and financial condition of the entity against which repayment is sought.

62. ***We may not be able to utilise the proceeds from this Issue in the manner set out in this Preliminary Placement Document in a timely manner or at all.***

Our funding requirements and the deployment of the proceeds from this Issue are based on our current business plan and strategy. For details in relation to the objects of the Issue, see "Use of Proceeds" on page 87. Further, the objects of the Issue have not been appraised by any bank or financial institution and we have not entered into definitive agreements in relation to our objects of the Issue. We may have to revise this from time to time as a result of variations including in the cost structure, changes in estimates and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our board. Accordingly, we may not be able to utilise the proceeds from this Issue in the manner set out in this Preliminary Placement Document in a timely manner or at all.

63. ***Industry information included in this Preliminary Placement Document has been based on reports prepared by third party sources and management estimates. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

Industry related data and projections in this Preliminary Placement Document are based on reports prepared by third parties such as India Infrastructure Publishing Private Limited. This report is subject to various limitations and based upon certain assumptions that are subjective in nature. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, the BRLMs or any of our or their respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed and dependability cannot be assured. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Preliminary Placement Document.

Moreover, the industry report referred to in this Preliminary Placement Document includes projections that by their very nature are estimations. Therefore, discussions of matters relating to India, its economy and the industries in which we currently operate and their growth prospects, in this Preliminary Placement Document, are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete and are speculative. For further details, see "Industry Overview" on page 137.

64. ***If our Company is classified as a passive foreign investment company ("PFIC") for U.S. Federal income tax purposes, U.S. investors may incur adverse tax consequences.***

Under U.S. Federal income tax laws, U.S. investors are subject to special tax rules if they invest in passive foreign investment companies, or PFICs. While our Company does not believe that it is, or will become in the foreseeable future, a PFIC since the applicable PFIC rules are complex and, to a certain extent, unclear, there is a risk that our Company is or may become a PFIC in the future. If it is or does qualify as being a PFIC, U.S. investors generally will not be subject to the regular U.S. federal income tax rules applicable to dividends and capital gains, but will be subject to complex PFIC rules that could result in additional taxation upon certain distributions by our Company and/ or disposition of Equity Shares.

RISKS RELATING TO INDIA

65. ***Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business*.**

Our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The GoI has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. The business of our Company, and the market price and liquidity of the Equity Shares may be affected by changes in GoI policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

Since 1991, successive Indian governments have pursued policies of economic liberalisation, financial sector reforms including significantly relaxing restrictions on the private sector. The governments have usually been multi-party coalitions with differing agendas. Any political instability could affect the rate of economic liberalisation and the specific laws and policies affecting foreign investment. Other matters affecting investment in the Equity Shares could change as well. A significant change in India's economic liberalisation and deregulation policies could adversely affect business and economic conditions in India generally, and our business in particular, if any new restrictions on the private sector are introduced or if existing restrictions are increased.

66. ***The Indian tax regime is currently undergoing substantial changes which could adversely affect the Company's business and the trading price of the Equity Shares.***

The goods and service tax ("GST") that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, cess and surcharge and excise that were being collected by the GoI and state governments. Due to the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST.

As regards the General Anti-Avoidance Rules ("GAAR"), the provisions of Chapter X-A (sections 95 to 102) of the Income Tax Act, 1961, are applicable from assessment year 2019 (Fiscal 2018) onwards. The GAAR provisions intend to declare an arrangement as an "impermissible avoidance arrangement", if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

Further, the Government has announced the union budget for the financial year 2019 and the Finance Bill, 2018 has been tabled before the Parliament which has proposed various amendments. For example, it includes a proposal to withdraw an exemption previously granted in respect of payment of long term capital gains tax. Accordingly, such tax may become payable by the investors from April 1, 2018. However, the Finance Act has not yet been passed by the Parliament. As such, there is no certainty on the impacts that the Finance Bill, 2018 may have on our business and operations or on the industry in which we operate.

Further, the Ministry of Finance had issued a notification dated March 31, 2015 presenting the ICDS which creates a new framework for the computation of taxable income. The ICDS was to take effect from April 1, 2015. However, in view of the representations from stakeholders, the Central Board of Direct Taxes ("**CBDT**"), Ministry of Finance, according to its press release dated July 6, 2016, has deferred the applicability of the ICDS with fiscal 2017 being the first assessment year. The ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. For example, where ICDS-based calculations of taxable income differ from Indian GAAP or Ind AS-based concepts, the ICDS-based calculations have the effect of requiring taxable income to be recognised earlier, increasing overall levels of taxation or both. There can be no assurance that the adoption of the ICDS will not adversely affect our business, results of operation and financial condition.

67. ***Fluctuation in the exchange rate between the Indian Rupee and other foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

Our Equity Shares are quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares may reduce the proceeds received by Equity Shareholders. The exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

68. ***A slowdown in economic growth in India could cause our business to suffer.***

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operations, financial condition and the trading price of the Equity Sharesa.

India's economy could be adversely affected by a general rise in interest rates, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of the Equity Shares.

69. ***Inflation and interest rates in India could have an adverse effect on our profitability and if significant, on our financial condition.***

The annual rate of inflation, was at 2.48% (provisional) for the month of February, 2018 (over February, 2017) as compared to 2.84% (provisional) for the previous month and 5.51% during the corresponding month of the previous year. (*Source: Index Numbers of Wholesale Price in India, Review for the month of February 2018, published on March 14, 2018 by Government of India, Ministry of Commerce and Industry*) Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees or any other expenses. There can be no assurance that we will be able to pass on any additional expenses to our payers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

In addition, majority of our borrowings are denominated in Rupees and are linked to floating Indian interest rates. Any increase, especially over a prolonged period, in Indian interest rates would increase our costs of borrowing and adversely affect our financial results and might make additional borrowing to fund investment uneconomic and/or unaffordable.

70. ***Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.***

The Indian securities markets are smaller and more volatile than securities markets in more developed economies. The Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Currently prices of securities listed on Indian exchanges are displaying signs of volatility linked among other factors to the uncertainty in the global markets and the rising inflationary and interest rate pressures domestically. The governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Future fluctuations or trading restrictions could have a material adverse effect on the price of our Equity Shares.

71. ***It may not be possible for investors to enforce any judgment obtained outside India against us, the BRLMs or any of their directors and executive officers in India respectively, except by way of a law suit in India.***

The enforcement of civil liabilities by overseas investors in the Equity Shares, including the ability to effect service of process and to enforce judgments obtained in courts outside of India may be adversely affected by the fact that the Company is incorporated under the laws of the Republic of India and all of its executive officers and directors reside in India. As a result, it may be difficult to enforce the service of process upon the Company and any of these persons outside of India or to enforce outside of India, judgments obtained against the Company and these persons in courts outside of India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Recognition and enforcement of foreign judgments is provided for under Section 13, 14 and Section 44A of the Code of Civil Procedure, 1908 ("Civil Code") on a statutory basis. Section 44A of the Civil Code provides that where a certified copy of a decree of any superior court, within the meaning of that Section, in any country or territory outside India which the Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the same nature of amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties and does not apply to arbitration awards (even if such awards are enforceable as a decree or judgment).

The United Kingdom, Singapore and Hong Kong have been declared by the Government to be reciprocating territories for the purposes of Section 44A of the Civil Code. The United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the Civil Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit upon the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and/ or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. The suit must be brought in India within three years from the date of judgment in the same manner as any other suit filed to enforce a civil liability in India.

It may be unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it may be unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy in India. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under FEMA to repatriate any amount recovered pursuant to execution and any such amount may be subject to income tax in accordance with applicable laws. Any judgment or award in a foreign currency would be converted into Indian Rupees on the date of the judgment or award and not on the date of the payment.

72. ***Differences exist between Indian GAAP and Ind AS and other accounting principles, which may be material to investors' assessments of our financial condition.***

Our financial statements, including the financial statements included in this Preliminary Placement Document, are prepared in accordance with Indian GAAP and Ind AS. We have not attempted to quantify the impact of other accounting principles, such as U.S. GAAP or IFRS, on the financial data included in this Preliminary Placement Document, nor do we provide a reconciliation of its financial statements to those prepared pursuant to U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in several respects from Indian GAAP and Ind AS. Accordingly, the degree to which our financial statements included in this Preliminary Placement Document will provide a meaningful information to a prospective investor is entirely dependent on such reader's level of familiarity with Indian accounting processes and practices. For important information relating to the presentation of financial information, including the transition from Indian GAAP to Ind AS financial statements, see "Management's Discussion And Analysis of Financial Condition and Results of Operations - Presentation of Financial Information" on page 93. Persons not familiar with Indian accounting practices should, accordingly, consult their own professional advisors before relying on the financial disclosures presented in this Preliminary Placement Document.

73. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects, results of operations and, financial condition.***

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. There can be no assurance that the central or the state governments may not implement new regulations and policies which will require us to obtain approvals and licenses from the governments and other regulatory bodies or impose onerous requirements and conditions on our operations.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

74. ***Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

75. ***The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

76. ***Any downgrade of India's debt rating by an independent agency may adversely affect our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our capital expenditure plans, business, financial condition and the price of our Equity Shares.

RISKS RELATING TO THE ISSUE AND THE EQUITY SHARES

77. ***Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Under FEMA Regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's or GoI's prior approval is required. Additionally, shareholders who seek to convert Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

78. ***A third party could be prevented from acquiring control of us because of the anti-takeover provisions under Indian law.***

There are provisions in Indian law that may discourage a third party from attempting to take control over us, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Under the takeover regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. These provisions may discourage or prevent certain types of transactions involving an actual or threatened change in control of us.

79. ***The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

The Issue Price of the Equity Shares will be determined by our Company in consultation with the BRLMs. This price will be determined on the basis of applicable law and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

80. ***There may not be an active or liquid market for our Equity Shares, which may cause the price of the Equity Shares to fall and may limit your ability to sell the Equity Shares.***

The price at which the Equity Shares will trade after this Issue will be determined by the marketplace and may be influenced by many factors, including:

- our financial results and the financial results of the companies in the businesses we operate in;
- the history of, and the prospects for, our business and the sectors in which we compete;
- the valuation of publicly traded companies that are engaged in business activities similar to us; and;
- significant developments in India's economic liberalization and deregulation policies.

The Indian securities markets are smaller and more volatile than securities markets in more developed economies. In addition, the Indian equity share markets have from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. The governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. The trading price of our equity shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our equity shares. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

81. ***Economic developments and volatility in securities markets in other countries may cause the price of the Equity Shares issued to decline.***

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. Negative economic developments, such as rising fiscal or trade deficits, or a default on sovereign debt, in other emerging market countries may affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Further, the market price of the Equity Shares may be affected by fluctuations in the market price of the Equity Shares.

82. ***The Equity Shares are subject to transfer restrictions.***

The Equity Shares are being offered in transactions not required to be registered under the Securities Act. Therefore, the Equity Shares may be transferred or resold only in a transaction registered under or exempted from the registration requirements of the Securities Act and in compliance with any other applicable securities laws. Pursuant to the SEBI ICDR Regulations, for a period of 12 months from the date of the issue of Equity Shares in the Issue, QIBs subscribing to the Equity Shares in the Issue may only sell their Equity Shares on the Stock Exchanges and may not enter into any off-market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of our Equity Shares. Furthermore, stock exchanges may impose restrictions on the movements in trading price of our equity shares. Stock Exchanges are not required to inform us of such restrictions and they may change without our knowledge. In the event such restrictions are imposed, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

83. ***Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade.***

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the BSE and the NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

84. ***There is no guarantee that our Equity Shares will be listed, or continue to be listed, on the Indian stock exchanges in a timely manner, or at all, and prospective investors will not be able to immediately sell their Equity Shares on a Stock Exchange.***

In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be applied for or granted until after our Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of our Equity Shares. Accordingly, there could be a failure or delay in listing our Equity Shares on the NSE and BSE, which would adversely affect your ability to sell the Equity Shares.

85. ***Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, applicants in this Issue are not permitted to withdraw their Bids at any stage after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with its depository participant could take approximately seven days and up to 10 days from the Issue Closing Date. However, material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the Issue Closing Date and the date of Allotment. The applicants shall not have the right to withdraw their Bids in the event of any such occurrence Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

86. ***SEBI operates an index-based market-wide circuit breaker. Any operation of a circuit breaker may adversely affect a shareholder's ability to sell, or the price at which it can sell, the Equity Shares at a particular point in time.***

We are subject to an index-based market-wide circuit breaker generally imposed by SEBI on Indian stock exchanges. This may be triggered by an extremely high degree of volatility in the market activity (among other things). Due to the existence of this circuit breaker, there can be no assurance that shareholders will be able to sell the Equity Shares at their preferred price or at all at any particular point in time.

SEBI operates an index-based market-wide circuit breaker. Any operation of a circuit breaker may adversely affect a shareholder's ability to sell, or the price at which it can sell, the Equity Shares at a particular point in time.

87. ***Any future issuance of Equity Shares or convertible instruments could dilute the holdings of investors in the Company and could adversely affect the market price of the Equity Shares.***

Our Company may be required to finance its future growth and business requirements through additional securities offerings. Any future issuance of the Equity Shares or convertible instruments could dilute the holdings of investors in the Company and could adversely affect the market price of the Equity Shares. In addition, any future issuances of Equity Shares or any sale by any significant shareholder, or a perception in the market that such issuance or sale may occur, could adversely affect the trading price of the Equity Shares. Such securities may also be issued at price below the then current trading price of the shares.

88. ***Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid to an Indian resident, will be subject to long term capital gains tax in India.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

In addition, the Union Budget presented in the Indian Parliament on February 1, 2018, proposed a number of amendments to the existing direct and indirect tax regime which includes the withdrawal of long term capital gains exemptions on equity shares, long term capital gains applicability in the hands of Foreign Institutional Investors, applicability of dividend distribution tax for certain transactions with shareholders, amongst others. The Union Budget is required to be approved by both houses of the Indian Parliament followed by Presidential Assent in order for the Income Tax Act, 1961 and other statutes to be amended and for the above proposal to have the effect of law. Each prospective purchaser should consult its own tax advisor about the consequences of investing in the Equity Shares.

89. ***Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.***

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

90. ***Recent U.S. tax legislation could result in materially adverse U.S. federal income tax consequences to U.S. Holders of the equity shares.***

Recently enacted U.S. tax legislation will significantly change the U.S. Internal Revenue Code, including taxation of U.S. corporations, by, among other things, limiting interest deductions, reducing the U.S. corporate income tax rate, altering the expensing of capital expenditures, adopting elements of a territorial tax system, assessing a repatriation tax or "toll-charge" on undistributed earnings and profits of U.S.-owned foreign corporations, and introducing certain anti-base erosion provisions. The legislation is unclear in certain respects and will require interpretations and implementing regulations by the Internal Revenue Service ("IRS"), as well as state tax authorities, and the legislation could be subject to potential amendments and technical corrections, any of which could lessen or increase certain adverse impacts of the legislation. In addition, the regulatory treatment of the impacts of this legislation will be subject to the discretion of the Federal Energy Regulatory Commission ("FERC") and state public utility commissions.

91. ***Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares***

The U.S. "Foreign Account Tax Compliance Act" (or "FATCA") imposes a new reporting regime and, potentially, a 30.00% withholding tax on certain "foreign passthru payments" made by certain non-U.S. financial institutions (including intermediaries).

If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered "foreign passthru payments". Under current guidance, the term "foreign passthru payment" is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered foreign passthru payments. Withholding on foreign passthru payments would not be required with respect to payments made before January 1, 2019. The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address "foreign passthru payments" and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as foreign passthru payments. Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document, 162,569,191 Equity Shares are issued, subscribed and are fully paid up. The Equity Shares have been listed and are available for trading on BSE and NSE.

On March 22, 2018, the closing price of the Equity Shares on BSE and NSE was ₹77.60 and ₹77.75 per Equity Share, respectively. Since the Equity Shares are available for trading on BSE and NSE, the market price and other information for each of BSE and NSE has been given separately.

(i) The following tables set forth the reported high, low, average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded and the total trading volumes for Fiscal Years ended March 31, 2017, March 31, 2016 and March 31, 2015:

BSE									
Fiscal	**High (₹)**	**Date of high**	**Volume on date of High (Number of Equity Shares traded on the date of high)**	**Total value of Equity Shares traded on date of high (₹ million)**	**Low (₹)**	**Date of low**	**Volume on date of Low (Number of Equity Shares traded on the date of low)**	**Total value of Equity Shares traded on date of low (₹million)**	**Average price for the year (₹)**
2015	Not Applicable as shares listed May 6, 2015								
2016	67.00	July 17, 2015	1,952,616	127.13	34.20	February 12, 2016	88,179	3.28	50.26
2017	54.65	March 27, 2017	19,979,842	1,028.83	34.00	November 24, 2016	43,221	1.53	41.52

(Source: www.bseindia.com)

NSE									
Fiscal	**High (₹)**	**Date of high**	**Volume on date of high (Number of Equity Shares traded on the date of high**	**Total value of Equity Shares traded on date of high (₹ million)**	**Low (₹)**	**Date of low**	**Volume on date of low (Number of Equity Shares traded on the date of low)**	**Total value of Equity Shares traded on date of low (₹million)**	**Average price for the year (₹)**
2015	Not applicable as shares listed May 6, 2015								
2016	67.20	July 17, 2015	8,317,128	537.34	34.20	February 12, 2016	510,371	19.64	50.29
2017	54.70	March 27, 2017	2,193,330	116.16	33.30	November 9, 2016	138,847	5.21	41.54

(Source: www.nseindia.com)

Notes:

1. *High, low and average price for the year are based on the daily closing prices.*

2. *In case of two days with the same high or low price, the date with the higher volume has been chosen.*

(ii) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months:

BSE									
Month, year	**High (₹)**	**Date of high**	**Volume on date of high (Number of Equity Shares traded on date of high)**	**Total value of Equity Shares traded on date of high (₹ million)**	**Low (₹)**	**Date of low**	**Volume on date of low (Number of Equity Shares traded on date of low)**	**Total value of Equity Shares traded on date of low (₹million)**	**Average price for the month (₹)**
September 2017	124.70	September 19, 2017	701,590	84.76	88.70	September 27, 2017	5,85,758	55.92	105.17
October 2017	104.80	October 06, 2017	161,250	16.48	95.05	October 11, 2017	1,03,673	10.06	99.16

BSE									
Month, year	**High (₹)**	**Date of high**	**Volume on date of high (Number of Equity Shares traded on date of high)**	**Total value of Equity Shares traded on date of high (₹ million)**	**Low (₹)**	**Date of low**	**Volume on date of low (Number of Equity Shares traded on date of low)**	**Total value of Equity Shares traded on date of low (₹million)**	**Average price for the month (₹)**
November 2017	117.70	November 10, 2017	62,533	71.04	98.30	November 02, 2017	3,92,037	40.84	102.39
December 2017	101.10	December 01, 2017	78,989	7.79	88.00	December 18, 2017	64,611	5.90	94.23
January 2018	105.65	January 3, 2018	3,912,309	382.29	87.35	January 31, 2018	104,355	9.33	95.14
February 2018	100.65	February 14, 2018	425,392	41.10	74.55	February 06,2018	116,833	9.07	88.43

(Source: www.bseindia.com)

NSE									
Month, year	**High (₹)**	**Date of high**	**Volume on date of high (Number of Equity Shares traded on date of high)**	**Total value of Equity Shares traded on date of high (₹ million)**	**Low (₹)**	**Date of low**	**Volume on date of low (Number of Equity Shares traded on date of low)**	**Total value of Equity Shares traded on date of low (₹ million)**	**Average price for the month (₹)**
September 2017	125.00	September 19, 2017	5,898,318	710.73	88.25	September 27, 2017	1,734,301	165.36	105.22
October 2017	104.95	October 03, 2017	798,136	82.13	95.00	October 11, 2017	637,316	66.12	99.22
November 2017	117.60	November 10, 2017	4,683,166	531.96	98.10	November 23, 2017	767,114	76.04	102.39
December 2017	101.00	December 1, 2017	1,109,924	109.88	86.90	December 18, 2017	359,436	32.89	94.27
January 2018	105.50	January 3, 2018	9,827,788	977.08	87.25	January 31, 2018	665,095	59.37	95.17
February 2018	100.90	February 14,2018	3,702,976	361.35	74.05	February 06,2018	519,396	40.53	88.54

(Source: www.nseindia.com)

Notes:

1. *High, low and average price for the month are based on the daily closing prices.*

2. *In case of two days with the same high or low price, the date with the higher volume has been chosen.*

(iii) The following table set forth the details of the number of Equity Shares traded and the turnover during the financial years ended March 31, 2017, March 31, 2016 and March 31, 2015 on the Stock Exchanges:

Period	**Number of Equity Shares Traded**		**Turnover (In ₹ million)**	
	BSE	**NSE**	**BSE**	**NSE**
Year ended March 31, 2015	Not applicable as shares listed May 6, 2015			
Year ended March 31, 2016	79,275,101	208,406,723	4,309.93	11,440.62
Year ended March 31, 2017	44,042,901	71,176,694	2,089.39	3,092.73

(*Source: www.bseindia.com and www.nseindia.com*)

(iv) The following table set forth the details of the number of Equity Shares traded and the turnover during the six immediately preceding months on the Stock Exchanges:

Period	Number of Equity Shares Traded		Turnover (In ₹million)	
	BSE	NSE	BSE	NSE
September 2017	9,831,459	50,073,517	1,053.14	5,435.90
October 2017	3,048,513	15,716,691	305.08	1,574.64
November 2017	6,875,372	33,221,362	722.70	3,525.80
December 2017	1,968,230	12,739,591	187.44	1,215.45
January 2018	10,077,659	30,696,570	969.42	2,984.36
February 2018	3,421,403	19,355,966	307.66	1762.60

(*Source: www.bseindia.com and www.nseindia.com*)

(v) The following table sets forth the market price on the Stock Exchanges on May 26, 2017, the first working day following the approval of our Board for the Issue:

BSE						NSE					
Open	High	Low	Close	Number of Equity Shares traded	Volume (₹ million)	Open	High	Low	Close	Number of Equity Shares traded	Volume (₹ million)
68.80	71.00	67.60	68.15	1,74,177	11.88	68.75	71.25	67.50	68.10	884,990	60.33

USE OF PROCEEDS

The gross proceeds from the Issue will be approximately ₹ [●] million. The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, will be approximately ₹ [●] million (the "**Net Proceeds**").

Subject to compliance with applicable laws and regulations, our Company intends to use the Net Proceeds from the Issue, towards the growth of our business including investment, and supporting operational activities for existing or future projects of our Group, to meet the long term working capital requirements, capital expenditure and general corporate purposes (including any exigencies and financial needs) of our Group.

Our Company intends to deploy the Net Proceeds towards our existing projects and/or future projects depending on business requirements. For details of our existing projects, see "Our Business" beginning on page 156.

Our fund requirements and deployment of the Net Proceeds is primarily based on our internal management estimates which are based on current conditions and are subject to change depending on business requirements, of external circumstances financial condition, or strategy of our Company. Our Board shall determine the quantum of Net Proceeds to be deployed by our Company from the Issue, depending on business opportunities / requirements of our Company from time to time.

Neither our Promoter nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the objects of the Issue.

The Net Proceeds of the Issue are not proposed to be utilised towards any specific project. Accordingly, the disclosure requirements under the SEBI Regulations with respect to: (i) break-up of cost of the project, (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project, are not applicable.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at March 31, 2017 and September 30, 2017 on a standalone and consolidated basis and as adjusted for the Issue. This table should be read in conjunction with the sections "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Statements" on pages 91 and 244, respectively:

A. ***On a Standalone basis:***

Particulars	As on March 31, 2017	As on September 30, 2017	
	Actual	Actual	As adjusted
	(in Rs million)	(in Rs million)	
Long-term Borrowings			
Secured	1,995.18	2,451.67	[●]
Unsecured	-	-	[●]
Short-term Borrowings			
Secured	1,654.01	1,175.20	[●]
Unsecured	-	-	[●]
Current Maturities of Long-Term Borrowings			
Secured	254.22	322.96	[●]
Unsecured	-	-	[●]
TOTAL DEBT (A)	**3,903.41**	**3,949.83**	[●]
Shareholders' Funds			
Share Capital	**1,625.69**	**1,625.69**	[●]
Securities Premium Account	2,677.36	2,677.36	[●]
Reserves and Surplus (other than Securities Premium Account)	1,707.08	1,798.96	[●]
Other Equity	**4,384.44**	**4,476.32**	[●]
TOTAL EQUITY (B)	**6,010.13**	**6,102.01**	[●]
TOTAL CAPITALISATION (A+B)	**9,913.54**	**10,051.84**	[●]

B. ***On a Consolidated basis:***

Particulars	As on March 31, 2017	As on September 30, 2017	
	Actual	Actual	As adjusted
	(in Rs million)	(in Rs million)	
Long-term Borrowings			
Secured	25,149.48	26,068.93	[●]
Unsecured	-	-	[●]
Short-term Borrowings			
Secured	2,011.40	1,310.95	[●]
Unsecured	0.48	0.48	[●]
Current Maturities of Long-Term Borrowings			
Secured	2,417.10	2,973.61	[●]
Unsecured	-	-	[●]
TOTAL DEBT (A)	**29,578.46**	**30,353.97**	[●]
Shareholders' Funds			
Share Capital	**1,625.69**	**1,625.69**	[●]
Securities Premium Account	2,677.36	2,677.36	[●]
Reserves and Surplus (other than Securities Premium Account)	(4,382.20)	(4,247.79)	[●]
Other Equity	**(1,704.84)**	**(1,570.43)**	[●]
TOTAL EQUITY (B)	**(79.15)**	**55.26**	[●]
TOTAL CAPITALISATION (A+B)	**29,499.31**	**30,409.23**	[●]

CAPITAL STRUCTURE

The share capital of our Company as at the date of this Preliminary Placement Document is set forth below:

		Aggregate value at face value (In ₹ million)
A	**AUTHORISED SHARE CAPITAL**	
	225,000,000 Equity Shares of ₹ 10 each	2,250.00
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE**	
	162,569,191 Equity Shares of ₹ 10 each	1,625.69
C	**PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT**(1)	
	Up to [●] Equity Shares aggregating up to ₹ [●] million	[●]
D	**PAID-UP CAPITAL AFTER THE ISSUE**	
	[●] Equity Shares	[●]
E	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue	2,677.36
	After the Issue(2)	[●]

(1) *The Issue has been authorised by our Board pursuant to resolution dated May 25, 2017, and by the shareholders of our Company pursuant to the resolution dated July 27, 2017, passed in the AGM of our Company.*

(2) *The securities premium account after the Issue is calculated on the basis of gross proceeds from the Issue. Adjustments do not include Issue expenses.*

Equity Share Capital History of our Company

The history of the Equity Share capital of our Company is set forth below:

Date of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue Price per Equity Share (₹)	Consideration	Cumulative No. of Equity Shares
At incorporation	10,000	10	10	Cash	10,000
December 2, 2002	990,000	10	10	Cash	1,000,000
August 4, 2007#	10,250,000	10	10	Cash	11,250,000
June 15, 2011	15,000,000	10	10	Cash	26,250,000
December 29, 2011	73,750,000	10	10	Cash	100,000,000
May 28, 2014	11,494,250	10	21.75	Cash	111,494,250
April 30, 2015	51,074,941	10	63*	Cash	162,569,191

On August 4, 2007, 10,250,000 preference shares were redeemed and converted into equity shares.

* *Allotment of 11,139,346 equity shares of ₹10 each was made to the anchor investors at ₹ 65 per equity share including share premium of ₹55 per equity share.*

As of the date of this Preliminary Placement Document, our Company has not allotted any Equity Shares for consideration other than cash.

ESOPs

The Company does not have any outstanding ESOPs.

DIVIDENDS

The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by the shareholders, in their discretion, subject to the provisions of the Articles of Association and the Companies Act, 2013 and rules made thereunder. The dividends, if any, will depend on a number of internal and external factors, including but not limited to the earnings, capital requirements and overall financial position of our Company. Our Company has no formal dividend policy. Under Indian law, a company pays dividends upon a recommendation by its board of directors and upon approval by a majority of the Shareholders at their meeting. The Shareholders have the right to decrease but not to increase the dividend amount recommended by the board of directors

The following table sets forth the dividend per Equity Share and the total amount of dividends declared on the Equity Shares for Fiscal Years 2017, 2016 and 2015:

(*in ₹ million, except per share data*)

Particulars	Financial Year ended March 31, 2017	Financial Year ended March 31, 2016	Financial Year ended March 31, 2015
Issued and Paid-up Share Capital (No. of Equity Shares)	162.57	162.57	111.49
Face Value of each Equity Share	10	10	10
Interim Dividend Rate of Dividend Declared (%)	1%	1%	-
Dividend per share	0.10	0.10	-
Amount on Interim Dividend	16.26	16.26	
Final Dividend Rate of Dividend Declared (%)	1.5%	1%	-
Dividend per share (in Rs)	0.15	0.10	-
Amount on Final Dividend	24.39	16.26	
Aggregate Amount of Dividend Distributed (interim dividend plus final dividend)	40.65	32.52	-
Tax Paid on Dividend (interim dividend)	3.31	3.40	-
Tax Paid on Dividend (Final dividend)	4.96	3.31	

The amounts paid as dividends in the past are not necessarily indicative of our Company's future dividend amounts.

For a summary of certain consequences under Indian taxation law of dividend distributions to shareholders, see "Statement of Tax Benefits" on page 218.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Preliminary Placement Document may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Preliminary Placement Document. For further information, see "Forward-Looking Statements" on page 12.

In this section, unless the context otherwise requires, a reference to "our Company" is a reference to MEP Infrastructure Developers Limited on a standalone basis, while any reference to "we", "us" or "our" refers to MEP Infrastructure Developers Limited on a consolidated basis.

Our Company's fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the 12 months ended March 31 of that year. Our Company was required to prepare financial statements in accordance with Ind AS for Fiscal 2017 (together with the corresponding financial statements under Ind AS for Fiscal 2016). Our historical financial statements for Fiscal 2015 and for Fiscal 2016 were originally prepared in accordance with Indian GAAP. Ind AS varies in many respects from Indian GAAP, and accordingly our Ind AS financial statements for Fiscal 2016 and Fiscal 2017 as well as for the six months ended September 30, 2017 and nine months ended December 31, 2017 are not comparable with our historical Indian GAAP financial statements for Fiscal 2015 and Fiscal 2016. For further information, see "Risk Factors – We were required to prepare and present our financial statements under Ind AS with effect from April 1, 2016. Our Ind AS financial statements for Fiscal 2016 and Fiscal 2017 and for the nine months ended December 31, 2017 are not comparable with the historical Indian GAAP financial statements for Fiscal 2015 and Fiscal 2016 included in this Preliminary Placement Document."

In this Preliminary Placement Document, we have therefore included the Indian GAAP Audited Financial Statements for Fiscal 2015 and Fiscal 2016, and the Ind AS Audited Financial Statements for Fiscal 2016 and Fiscal 2017 and the reviewed Ind AS Condensed Financial Statements as of and for the six months ended September 30, 2016 and 2017 and for the nine months ended December 31, 2016 and 2017. Our Ind AS Audited Financial Statements for Fiscal 2016 and Fiscal 2017 also include reconciliation statements of the effect of transition from Indian GAAP to Ind AS in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. Indian GAAP and Ind AS differ in certain respects to IFRS and U.S. GAAP. Accordingly, the degree to which our financial statements included in this Preliminary Placement Document will provide a meaningful information to a prospective investor is entirely dependent on such reader's level of familiarity with Indian Accounting processes and practices. For important information relating to the presentation of financial information, including the transition from Indian GAAP to Ind AS financial statements, see "Presentation of Financial Information" below.

Unless otherwise specified or the context otherwise requires, financial information herein for Fiscal 2015 is derived from our Indian GAAP Audited Consolidated Financial Statements, financial information for Fiscal 2016 and 2017 is derived from our Ind AS Audited Consolidated Financial Statements, and financial information for the six months ended September 30, 2017 and the nine months ended December 31, 2016 and 2017 is derived from our Ind AS Condensed Consolidated Financial Statements.

Overview

Founded in 2002, by promoters Mr. Dattatray Mhaiskar and Mr. Jayant Mhaiskar, we commenced our business with the collection of toll under the Mumbai Entry Points Project, which we now continue to operate as an OMT project pursuant to a re-award. We have grown to be a significant player in our business verticals: HAM, OMT and toll collection projects in India. We are an integrated road infrastructure company and as of December 31, 2017, we were executing six HAM projects, three OMT projects, three Long Term Toll Collection Projects, two Short Term Toll Collection projects and one BOT project. Our business operations broadly involve (i) toll collection through Long Term and Short Term toll collection, OMT and BOT projects; and (ii) construction activities through HAM projects.

Our ongoing projects are located across seven states in India. We have experience of over 15 years and as of December 31, 2017, we had successfully executed 133 projects and completed 119 projects including 221 toll plazas and 1,385 lanes across 15 states in India.

As of December 31, 2017, we (i) operated five toll collection projects, of which three were Long Term Toll Collection projects and two were Short Term Toll Collection projects, with an aggregate of 129 toll plazas across five states in India; and (ii) operated three OMT projects covering 1,182.38 lane kilometres with an aggregate of nine toll plazas.

Our projects are awarded to us through a competitive bidding process (electronic bidding in some cases) and upon fulfilment of prescribed pre-qualification criteria. Tenders for our toll collection projects and OMT projects are submitted on the basis of traffic volume and revenue forecasting undertaken by us through in-house surveys. We generate revenue from toll collection and OMT projects through collection of toll from commuters. Our toll collection and OMT projects have been awarded to us by statutory corporations or government companies that include NHAI, MSRDC, RSRDC, RIDCOR, MJPRCL, SDMC and HRBC. The tenders for our HAM projects are submitted on the basis of preliminary investigations and engineering surveys of the project site undertaken by consultants and estimation of construction and operations & maintenance ("O&M") costs for assessing project viability. We propose to generate revenue from the HAM projects in the form of revenue for construction during the construction period, followed by annuity receipts over subsequent periods, in terms of the concession agreement, either by MoRTH or the NHAI.

Our portfolio of ongoing toll collection projects includes both Long Term (of an initial term in excess of one year) and Short Term (of an initial term of one year or lesser) projects. Our Long Term Toll Collection projects are the Delhi Entry Points Projects in Delhi for a period five years until October 1, 2022, Vidyasagar Setu Project in West Bengal for a period of five years until September 1, 2018 and the Kalyan-Shilphata Project in Mumbai for a period of 156 weeks until December 28, 2019. As of December 31, 2017, we were operating two Short Term Toll Collection Projects, namely Chennasamudram and Brijghat in Tamil Nadu and the Uttar Pradesh, respectively. Subsequently, our Brijghat project concluded on January 16, 2018 and our Chennasamudram project will conclude on September 3, 2018.

Our ongoing OMT projects include the Mumbai Entry Points Project, which is our largest OMT project on the basis of revenue, which involves collection of toll, operation and maintenance of the five entry points, 27 flyovers and certain allied structures in Mumbai for a period of 16 years until 2026. We also operate the RGSL Project which involves toll collection and maintenance. We have been collecting toll at the RGSL since its opening in 2009 pursuant to Short Term contracts and entered into an OMT contract in January 2014, for three years. The OMT contract was re-awarded to our Company in June 2017. Our other OMT project is the Hyderabad-Bangalore Project for which we have the right to collect toll at, and maintain, the road forming part of such project for a period of nine years until 2022.

We also operate a BOT project, being the Baramati Project under which we constructed the four-lane Sakhali Bridge on Karha River in Baramati, Maharashtra, and are currently entitled to maintain and collect toll at the roads and bridges in Baramati for a period of 19 years and four months until 2030.

Our Company has also recently entered into the HAM segment through a strategic collaboration with Sanjose India Infrastructure & Construction Private Limited ("**Sanjose India**"). Pursuant to the strategic collaboration, we have formed certain joint venture companies (the "**HAM JV Companies**") for the purpose of bidding in the tenders in relation to HAM projects. As of October 2017, 58 national highway projects (including HAM project awarded by NHAI) with an aggregate length of approximately 3,700 km and costing around ₹ 613,000 million were awarded under HAM. Additionally, many more projects are in advanced stages of bidding. Between January 2016 and December 2017, nine HAM-based projects achieved financial closure *(Source: India Infrastructure Report)*. As of December 31, 2017, we have been awarded six HAM projects covering 1,060 lane kilometres of which, four HAM projects are in Maharashtra, namely Arawali Kante Project, Kante Waked Project, Nagpur Package I Road Project ("**NRR 1 Project**") and Nagpur Packed II Road Project ("**NRR 2 Project**") and two HAM projects are in Gujarat, namely Talaja Mahuva Project and Mahuva Kagavadar Project. All six HAM projects have achieved their respective financial closure and the construction works have commenced for all six HAM projects. Under our existing portfolio of HAM projects, the Arawali Kante Project and Kante Waked Project have been awarded by the MoRTH, while the remaining HAM project has been awarded by the NHAI.

For the execution of our EPC contracts under HAM projects, we have procured high-end equipment from domestic as well as international suppliers, such as high capacity crushers, slip form pavers, concrete batching plants, high capacity tippers and slip form concrete pavers. We also outsource post-bid studies to engineering consultants and also undertake value engineering on the optimized design quantities for the purpose of qualitative construction at an optimized cost. For further information, see "Post-bid Engineering Studies and the Execution of HAM Projects" below.

We use advanced technology for the operation of our projects which helps in improving operational efficiency and ensuring transparency in the process of toll collection. In August 2012, we launched an electronic toll collection ("**ETC**") system based on RFID technology which was implemented at all toll plazas in RGSL, Mumbai. As of December 31, 2017 the RFID technology based ETC system had been implemented at the RGSL toll plaza at the Vidyasagar Setu Project, the three toll plazas of the Hyderabad Bangalore Project and at all five toll plazas forming part of the Mumbai Entry Points Project. In addition, we also use weight-based tolling system for our OMT contracts with NHAI through devices that are designed to capture and record axle weights and gross vehicle weights as vehicles drive over a measurement site.

A consortium formed by our Company, KENT Intelligent Transportation Systems India Private Limited and Vishwakarma Scales Private Limited (the "**KVM Consortium**"), has been awarded two projects by IHMCL for providing toll management systems including weigh-in-motion technology, CCTV surveillance and static weigh bridge at the toll plazas of public funded NHAI projects situated in the northern areas of India, namely, Punjab and Uttar Pradesh ("**North Zone**") and in the southern areas of India, namely, Karnataka, Tamil Nadu, Telangana and Andhra Pradesh ("**South Zone**").

The following table sets out the revenue mix of our ongoing projects for the periods indicated:

Revenue mix	Fiscal 2017	As a Percentage of Total Revenue	Nine months ended December 31, 2017	As a Percentage of Total Revenue
	(₹ million)	(%)	(₹ million)	(%)
OMT Projects	8,368.71	48.40%	5,637.41	36.47%
Short Term toll projects	6,481.14	37.48%	1,421.47	9.20%

Revenue mix	Fiscal 2017	As a Percentage of Total Revenue	Nine months ended December 31, 2017	As a Percentage of Total Revenue
	(₹ million)	(%)	(₹ million)	(%)
Long Term toll projects, BOT and other projects	1,807.14	10.45%	4,106.36	26.56%
EPC/ HAM projects	633.69	3.67%	4,292.54	27.77%
Total	**17,290.68**	**100%**	**15,457.78**	**100%**

Presentation of Financial Information

Transition from Indian GAAP to Ind AS Financial Statements

The Ministry of Corporate Affairs ("MCA") notified the Companies (Indian Accounting Standards) Rules, 2015 on February 16, 2015 providing a roadmap for the implementation of Ind AS in a phased manner beginning from the accounting period of Fiscal 2017. We were required to, in accordance with the MCA notification schedule, prepare and present our financial statements in accordance with Ind AS for any financial reporting period commencing on or subsequent to April 1, 2016. We have accordingly adopted Ind AS with effect from April 1, 2016 with the transition date of April 1, 2015.

Our consolidated Ind AS financial statements are prepared in accordance with Ind AS and the provisions of the Companies Act, 2013 and the relevant rules thereunder. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Our consolidated financial statements up to and for Fiscal 2016 were prepared in accordance with Indian GAAP and the Companies (Accounting Standards) Rules, 2006, notified under Section 133 and other provisions of the Companies Act, 2013.

For purposes of transition to Ind AS, we have followed the guidance prescribed under Ind AS 101 – First time adoption of Indian Accounting Standards ("Ind AS 101"), with April 1, 2015 as the transition date. The accounting policies have been applied in preparing the Ind AS Audited Consolidated Financial Statements for Fiscal 2017 including the comparative information for Fiscal 2016 and the opening consolidated Ind AS balance sheet on the date of transition i.e. April 1, 2015. Our Ind AS Audited Financial Statements for Fiscal 2016 and Fiscal 2017 also includes reconciliation statements of the Ind AS Audited Financial Statements for Fiscal 2016 with our historical Indian GAAP Audited Financial Statements for Fiscal 2016 explaining the impact of transition to Ind AS on the preparation and presentation of our financial statements. Information on optional exemptions and certain exceptions availed on first time adoption of Ind AS are specified in Note 1A of our Ind AS Audited Consolidated Financial Statements.

Ind AS varies in many respects from Indian GAAP, and accordingly our Ind AS financial statements for Fiscal 2016 and Fiscal 2017 and for subsequent periods are not comparable with our historical Indian GAAP financial statements for Fiscal 2015 and Fiscal 2016. See "Note 1A – Notes to Reconciliation" of our Ind AS Audited Consolidated Financial Statements in "Financial Statements" and "Risk Factors – We were required to prepare and present our financial statements under Ind AS with effect from April 1, 2016. Our Ind AS financial statements for Fiscal 2016 and Fiscal 2017 and for subsequent periods are not comparable with the historical Indian GAAP financial statements for Fiscal 2015 and Fiscal 2016 included in this Preliminary Placement Document."

In this Preliminary Placement Document we have included (i) the Indian GAAP Audited Standalone Financial Statements and the Indian GAAP Audited Consolidated Financial Statements for Fiscal 2015 and Fiscal 2016; (ii) the Ind AS Audited Standalone Financial Statements and the Ind AS Audited Consolidated Financial Statements for Fiscal 2016 and Fiscal 2017; (iii) the reviewed Ind AS Standalone Condensed Financial Statements and the reviewed Ind AS Consolidated Condensed Financial Statements as of and for the six months ended September 30, 2016 and 2017; and (iv) reviewed Ind AS Standalone Condensed Financial Statements and the reviewed Ind AS Consolidated Condensed Financial Statements for the nine months ended December 31, 2016 and 2017.

We have therefore included herein management's discussion and analysis of our financial performance (i) comparing Ind AS Audited Consolidated Financial Statements for Fiscal 2017 with the Ind AS Audited Consolidated Financial Statements for Fiscal 2016; and (ii) comparing the Indian GAAP Audited Consolidated Financial Statements for Fiscal 2016 with the Indian GAAP Audited Consolidated Financial Statements for Fiscal 2015. We have also included herein management's discussion and analysis comparing our Ind AS Consolidated Condensed Financial Statements for the nine months ended December 31, 2017 with the Ind AS Consolidated Condensed Financial Statements for the nine months ended December 31, 2016.

In addition, the Ind AS Condensed Financial Statements as of and for the six months ended September 30, 2016 and 2017, and the Ind AS Condensed Financial Statements for the nine months ended December 31, 2016 and 2017 included herein are presented in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and the presentation of such financial statements varies from the presentation of the Ind AS Audited Financial Statements for Fiscal 2016 and 2017 included herein. The Ind AS Condensed Financial Statements as of and for the six months ended

September 30, 2016 and 2017, and the Ind AS Condensed Financial Statements for the nine months ended December 31, 2016 and 2017 also do not include any cash flow information as may be required by applicable regulations of the United States or other jurisdiction.

Certain Factors Affecting Our Results of Operations

Our results of operations and financial condition are affected by a number of factors, including the following, which are of particular importance:

Ability to forecast actual traffic volumes

Our business is substantially dependant on our ability to accurately forecast traffic volumes prior to submitting our bids for the projects. Forecasting of traffic volumes cannot be made with certainty, and we cannot assure you that our forecasts will be accurate. Traffic volumes may be affected by various external factors beyond our control, including toll rates, prices of fuel and automobiles, general economic conditions, alternative modes of transportation and local factors affecting traffic volumes in a particular area, among others. In such instances, if the traffic volume is lower than our forecasted traffic volume, the revenue from such toll collection or OMT project or BOT project may be lower than expected and may lead to losses or lower than expected profits on such contract.

Changes in government policies or delays in award of infrastructure projects

Our business is substantially dependent on road projects in India undertaken or awarded by governmental authorities and other entities funded by the GoI and/or state governments. Almost all of our revenue from operations is derived from concession agreements with a limited number of government entities. In the event of any adverse change in budgetary allocations for infrastructure development or a downturn in available work in the road infrastructure sector resulting from any change in government policies or priorities, our business prospects, and as a result our financial performance, may be adversely affected. Any changes in the GoI or state government policies (including de-notification of our existing projects) may lead to our contracts being restructured, renegotiated or terminated. These could adversely affect our financing arrangements, capital expenditure, revenues, development or cash flows relating to our existing projects as well as our ability to participate in competitive bidding or bilateral negotiations for our future projects. Since we focus on roads, highway and related projects, macroeconomic factors in India relating to this sector will have a significant impact on our prospects and results of operations. As demand for new roads is driven by an increase in agriculture and manufacturing, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business and financial performance.

Availability of cost effective funding sources and changes in interest rates

As of September 30, 2017 and as of December 31, 2017, our total outstanding indebtedness was ₹ 30,353.97 million and ₹ 30,943.49 million, respectively. Our projects are funded to a large extent by debt and any increase in interest expense may have an adverse effect on our results of operations and financial condition. Most of our current debt facilities carry interest at floating rates with the provision for periodic reset of interest rate spread. Given the typically substantial debt component in our projects, the profitability of our projects is affected by, among other things, the prevailing interest rates. In Fiscal 2017 and in the nine months ended December 31, 2017, finance costs was 27.16% and 21.51%, respectively, of our total income in such periods. Any increase in interest rates would also increase our interest expenses in respect of our borrowings. In view of the high debt to equity ratios for our projects, an increase in interest expense is likely to have a significant adverse effect on our results of operations. There can be no assurance that third party debt would be available to us when required. We may not be able to avail of third party debt to make upfront payments or provide bank guarantees pursuant to our contracts. Further, our existing loan agreements impose certain restrictions on our ability to incur further indebtedness. See "Risk Factors – We have incurred substantial indebtedness and as a result may not be able to obtain adequate financing or generate sufficient cash flow to meet our significant capital expenditures and liquidity requirements, which would have a material and adverse effect on our business, results of operations, financial position and prospects." on page 55.

Increase in toll rates compared to increase in operating and maintenance costs

The toll rates that we are permitted to charge with respect to a project is governed by the terms of the relevant concession agreement and is subject to escalation over the life of the project based on a calculation methodology specified in such agreement or based on notifications issued by the relevant authority. While the toll rates determined under the agreement take into account the effect of inflation, they do not take into account an increase in operating and maintenance expenses or other factors. While annual revision in toll rates is linked to variation in the Wholesale Price Index for our OMT projects with NHAI, escalation in toll rates for our other projects is either pre-fixed or based on a calculation methodology specified in the relevant agreement or based on notifications by the relevant authority. Accordingly, increase in toll rates for our projects may not be adequate to cover the impact of an increase in interest rate or an increase in operating and maintenance costs.

Our operating costs, which relate to project costs primarily comprise concession fee to the authority, cost of inputs, labour, machine hire charges, fuel expenses and sub-contracting expenses. In Fiscal 2017 and in the nine months ended December 31, 2017, our operating and maintenance expenses was 18.07% and 50.68%, respectively, of our total income in such periods. The operation and maintenance costs depend on various factors, and may increase on account of factors beyond our control, including unanticipated increases in material and labour costs, natural disasters, higher axle loading, traffic volume or environmental stress leading to more extensive or more frequent heavy repairs or maintenance costs.

Construction of HAM projects

All the six HAM projects are under the construction phase. There are certain costs associated with the operations of such HAM projects. While the construction costs are already anticipated by our Company, there are certain factors which may increase the estimated construction costs for a HAM project. The principal factors affecting EPC construction include, among others, cost related to timely mobilization of the resources such as workforce, material and equipment, effective utilization of such resources, control of wastage, inventory management, and any costs associated with training and development of the workforce.

We may incur significant costs in relation to the construction of our HAM or other projects that include significant construction or EPC components, thereby increasing our estimated and affecting our results of operations.

Ability to collecting pending claims receivables

In terms of our project agreements, there are certain pending claims receivables from the relevant government or regulatory authorities. As of March 31, 2017, total claims receivables from such relevant government authorities was ₹ 1,870.20 million, compared to ₹ 710.00 million as of March 31, 2016. A significant delay or inability to collect such claims receivables from the relevant authorities may impact our results of operations and financial condition.

Competitive environment

Since all of our projects are awarded through competitive bidding process, the competition for each contract depends on the parties that meet the criteria to bid for such projects. We are subject to intense competition, both in relation to (i) toll management and OMT contracts; and (ii) HAM projects. For toll management, in addition to certain large-scale players having a national presence, we compete with local players who also bid for toll contracts. For OMT projects, we compete with those bidders who have achieved BOT or OMT pre-qualification of the relevant authority. For HAM projects, we compete with the EPC companies executing the highway projects.

Significant Accounting Policies under Ind AS

The financial statements have been prepared on a historical cost basis, except for: (i) certain financial assets and liabilities that are measured at fair value; (ii) assets held for sale – measured at fair value less cost to sell; (iii) defined benefit plans – plan assets measured at fair value; and (iv) Current and non-current classification – All assets and liabilities have been classified as current or non-current as per our Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, our Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

Property, Plant and Equipment

Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises:

- the purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates,
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest if any.

Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to us and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Depreciation / amortization

Depreciation is provided on a pro-rata basis on the written down value method over the estimated useful life of the assets. Depreciation on addition/deletion of fixed assets during the year is provided on pro-rata basis from / to the date of addition/deletion. Fixed assets costing up to ₹ 5,000 individually are fully depreciated in the year of purchase. Useful life of the asset is taken, as specified in Schedule II of the Companies Act, 2013.

Impairment of fixed assets

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

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

The recoverable amount is the greater of the asset's fair value less cost of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent that the carrying amount after such reversal does not exceed the carrying amount that would have been determined had there been no impairment. In case of revalued assets such reversal is not recognized.

Intangible assets

Goodwill on consolidation

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

Toll Collection Rights

Toll collection rights are stated at cost, less accumulated amortisation and impairment losses. Cost includes: contractual upfront / monthly / fortnightly payments towards acquisition.

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

Borrowing Cost

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

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

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial Assets

- Classification

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

- Initial recognition and measurement

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

Debt instruments at amortised cost

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

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

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

Debt instruments at FVOCI

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

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

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

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

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. In addition, we may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

- Equity Investments

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

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

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

- Derecognition

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

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

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

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

- Impairment of financial assets

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

Financial liabilities

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

- Classification

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

- Initial recognition and measurement

  Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

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

Our financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

- Derecognition

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

Offsetting of financial instruments

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

Leases

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

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

Trade Receivables

Trade receivables are amounts due from customers and related parties from the rendering of services in the ordinary course of business. Trade receivables are recognised initially at fair value except for short term receivable where the recognition of interest is immaterial and subsequently measured at amortised cost using effective interest method less an allowance for impairment. An estimate for impairment is made when collection of the entire amount is no longer probable or when payments are delayed. The Company maintains an allowance for impairment to provide for impairment of trade receivables. Impairment allowances and related trade receivables are written off when determined as not collectable.

Non derivative financial assets- service concession arrangements

We recognise a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or other financial asset from the grantor of the concession for the construction or upgrade service provided. Such financial assets are measured at fair value upon initial recognition and classified as trade receivables. Subsequent to initial recognition, such assets are measured at amortised cost.

Inventories

Construction materials, components, stores, spares and tools

They are valued at lower of cost and net realisable value. Cost is determined on first in first out basis and comprise all cost of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Work-in-progress and finished goods

They are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of overheads based on normal operating capacity. Cost is determined on weighted average basis. Net realisable value is the estimated contract price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to complete the contract.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

In case if any payment for inventory is deferred beyond normal credit terms then cost is determined by discounting the future cash flows at an interest rate determined with reference to market rates. The difference between the total cost and the deemed cost in such cases are recognised as interest expense over the period of financing under the effective interest method.

Cash and cash equivalents

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

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

Provisions, contingent liabilities and contingent assets

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

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

Revenue recognition

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

Toll collection

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

Revenue from EPC Contracts with Joint ventures

The Company has entered into Engineering, Procurement and Construction (EPC) Contracts with its joint ventures for providing road construction and maintenance services to them. Income from this service is recognised on the percentage of completion method. Company is entitled to raise bills for the portion of work completed as per the pattern indicated in the Billing Schedule for each Milestone Event mentioned in the EPC agreement.

Road Repair and Maintenance

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

Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective rate of interest.

Revenue from Service concession Agreements

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

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

Retirement and Other Employee Benefits

Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid if we have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-Employment Employee Benefits

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

Defined Contribution Plans

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

Defined Benefit Plans

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Our net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, this amount is discounted to determine its present value.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

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

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

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

Income Taxes

Tax expense comprises of current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other Comprehensive Income.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are offset only if:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised. The tax effect is calculated on the accumulated timing differences at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Minimum alternate tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Significant Accounting Policies under Indian GAAP

Our financial statements in Fiscal 2015 and Fiscal 2016 were prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with accounting principles generally accepted in India ("Indian GAAP") accounting standards notified under the provisions of the Companies Act, 2013 read together with Companies Rules, 2014, and guidelines issued by the Securities and Exchange Board of India (SEBI) and the Institute of Chartered Accountants of India.

Current / Non-Current Classification

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

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

All other assets are classified as non-current.

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

- it is expected to be settled in the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the Balance Sheet date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date.

All other liabilities are classified as non-current.

Operating cycle

Based on the nature of activities and the time between the acquisition of assets and their realisation in cash and cash equivalents, we have ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

Revenue Recognition

Revenue is recognised to the extent it is probable that the future economic benefits will flow to us and the revenue can be reliably measured.

Toll Collection

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

Road Repair and Maintenance

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

Interest and Dividend Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income on investment is recognised when the right to receive dividend is established.

Fixed assets

Tangible Fixed Assets

Tangible assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use. When parts of an item of fixed assets have different useful lives they are accounted for as separate items (major components) of fixed assets.

Expenditure incurred on acquisition / construction of tangible fixed assets which are not ready for their intended use as at the Balance Sheet date are disclosed under capital work-in-progress.

Intangible fixed assets – Toll collection rights

Intangible fixed assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost includes acquisition and other incidental costs related to acquiring the intangible asset.

Depreciation and Amortisation

Depreciation

Depreciation on fixed assets is provided on the written down value method, at useful lives prescribed in Schedule II of the Companies Act, 2013. Depreciation on addition/deletion of fixed assets during the year is provided on pro-rata basis from / to the date of addition/deletion. Fixed assets costing up to ₹ 5,000 individually are fully depreciated in the year of purchase.

Amortisation

Toll Collection Rights are amortised over the concession period, using revenue based amortisation as prescribed in Schedule II of the Companies Act, 2013. Under this methodology, the carrying value of the rights is amortised in the proportion of actual toll revenue for the year to the projected revenue for the balance toll collection period, to reflect the pattern in which the assets economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

Impairment of Assets

We assess at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, we estimate the recoverable amount of the asset. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of assets value in use and net selling price. After impairment if any, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Previously recognised impairment loss is increased or reversed on changes in internal /external factors.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. Capitalisation of borrowing cost is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are expensed in the period they occur. Borrowing costs consists of interest and other cost that an entity incurs in connection with the borrowing of funds.

Taxation

Income Tax

Income tax expense comprises current income tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however; where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternate Tax (MAT)

MAT credit is recognised as an asset only when, and only to the extent there is convincing evidence that we will pay normal income tax during the specified period for which the MAT credit can be carried forward or set off against the normal tax liability. MAT credit entitlement is reviewed at each Balance Sheet date and written down to the extent there is no convincing evidence to the effect that we will pay normal income tax during the specified period.

Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, term deposits with banks and other short term highly liquid investments with original maturities of three months or less.

Earnings per share

Basic earnings per share is calculated by dividing the net profit/loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit/loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares outstanding during the period, except where the results would be anti-dilutive.

Employee Benefits

Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service.

Post-Employment Benefits

Defined Contribution Plans

Our contribution to defined contribution plans such as Provident Fund, Employee State Insurance and Maharashtra

Labour Welfare Fund are recognised in the Consolidated Statement of Profit and Loss on an accrual basis.

Defined Benefit Plans

Our gratuity benefit scheme is a defined benefit plan. Our net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

When the calculation results in a benefit to us, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan. Actuarial gains and losses are recognized immediately in the Statement of Consolidated Profit and Loss.

Operating Lease

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Consolidated Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

Investments

Long term investments are valued at cost, less provision for other than temporary diminution in value, if any. Current investments are valued at the lower of cost and fair value.

Provisions and Contingencies

We recognize a provision when there is present obligation as a result of a past (or obligating) event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for the contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Principal Components of Income and Expenditure in our Ind AS Financial Statements

The components of our income and expenses under our Ind AS financial statements are as set forth below:

Income

Income comprises of (i) revenue from operations; and (ii) other income.

Revenue from Operations

Our revenue from operations comprises revenue from toll collection, construction revenue and other operating income that includes claims from authorities and road repair and maintenance.

Other Income

Our other income comprises: (i) interest income (from banks, loans to related parties and others); (ii) provisions no longer; (iii) dividend income; (iii) facility fees; (iv) miscellaneous income.

Expenses

Our expenses comprise: (i) operating and maintenance expenses; (ii) employee benefit expenses; (iii) depreciation, amortization and impairment; (iv) finance costs; and (v) other expenses.

Operating and Maintenance Expenses

Operating and maintenance expense comprise concession fees to authorities, road repair and maintenance expenses, toll - site attendant expenses, site expenses, maintenance cost paid to authorities and supervision and independent engineer fees.

Employee Benefit Expenses

Employee benefit expense largely comprise of salaries, wages and bonus paid to employees, the contribution made towards provident funds and other funds, expenses towards gratuity payments and staff welfare expenses.

Depreciation, Amortization and Impairment

Depreciation and amortisation includes the expense incurred by way of depreciation of fixed assets and amortisation of toll collection rights.

Finance Costs

Finance cost include interest expenses from banks, financial institutions, other interest costs, other borrowing costs and bank guarantee and commission charges.

Other Expenses

Other expenses include goodwill impairment, travelling expenses, legal, consultancy and professional fees, rates and taxes. In addition, other expenses include rent for the lease of premises, directors sitting fees, insurance expenses, business promotion and advertisement expenses, repair and maintenance charges for plant and machinery, computers and others, and provisions for wealth tax. We also incur expenditure towards our corporate social responsibility activities and other miscellaneous expenses.

Principal Components of Income and Expenditure in our Indian GAAP Financial Statements

The components of our income and expenses under our Indian GAAP financial statements are as set forth below:

Revenue

Our revenue comprises of (i) revenue from operations; and (ii) other income.

Revenue from Operations

Our revenue from operations comprises revenue from toll collection, construction revenue and other operating income that includes claims from authorities and other contractual claims.

Other Income

Our other income comprises: (i) interest income (from fixed deposits and loans to related parties and others); (ii) provisions no longer required to be written back; (iii) dividend income; (iii) facility fees; (iv) miscellaneous income. Our other income also included profit on sale of mutual funds, profit on sale of investment in subsidiary, profit on sale of fixed assets.

Expenses

Our expenses comprise: (i) operating and maintenance expenses; (ii) employee benefit expenses; (iii) depreciation, amortization and impairment; (iv) finance costs; and (v) other expenses.

Operating and Maintenance Expenses

Operating and maintenance expense comprise concession fees to authorities, road repair and maintenance expenses, toll - site attendant expenses, site expenses, maintenance cost paid to authorities, other site operational expenses and supervision and independent engineer fees paid to authorities.

Employee Benefit Expenses

Employee benefit expense largely comprise of salaries, wages and bonus paid to employees, the contribution made towards provident funds and other funds, expenses towards gratuity payments and staff welfare expenses.

Depreciation, Amortization and Impairment

Depreciation and amortisation includes the expense incurred by way of depreciation of fixed assets and amortisation of toll collection rights.

Finance Costs

Finance cost include interest expenses from banks, financial institutions and other borrowing costs that comprise processing fees and bank guarantee and commission charges.

Other Expenses

Other expenses include travelling expenses, legal, consultancy and professional fees, rates and taxes. In addition, other expenses we incur are rent for the lease of premises, directors sitting fees, insurance expenses, business promotion and advertisement expenses, repair and maintenance charges for plant and machinery, computers and others, and provisions for wealth tax. We also incur expenditure towards our corporate social responsibility activities and other miscellaneous expenses.

Tax Expenses

Tax expenses comprise of current (income) tax, MAT credit entitlement and deferred tax.

MANAGEMENT DISCUSSION AND ANALYSIS OF OUR IND AS FINANCIAL STATEMENTS

NINE MONTHS ENDED DECEMBER 31, 2017 COMPARED TO NINE MONTHS ENDED DECEMBER 31, 2016 (UNDER IND AS)

Results of Operations

The following table sets forth certain information relating to our results of operations in the periods indicated:

Particulars	Nine Months ended December 31,	
	2017	2016
	Ind AS	
	(₹ million)	
Income		
Revenue from operations	15,457.79	12,974.57
Other income	852.66	568.01
Total Income	**16,310.44**	**13,542.59**
Expenses		
Operating and maintenance expenses	8,266.49	2,254.41
Employee Benefits Expenses	576.89	553.46
Finance costs	3,508.83	3,726.28
Depreciation and amortisation expense	2,957.82	6,722.04
Other expense	342.59	294.84
Total Expenses	**15,652.62**	**13,551.04**
Profit/(loss) from operations before exceptional items tax	**657.82**	**(8.45)**
Exceptional Items	**-**	**1,579.34**
Profit/(loss) before tax	**657.82**	**1,570.89**
Tax expenses		
Current tax	(108.13)	(54.85)
Deferred tax	(137.73)	(526.39)
Net Profit/ (Loss) for the period / Year after tax and before Share of Profit/ (Loss) of Associates & Joint Venture	411.96	989.65
Shares of Profit / (Loss) of Associate & Joint Venture	**31.78**	**(20.82)**
Net Profit/ (Loss) after Tax	**443.74**	**968.83**
Other Comprehensive Income	**(3.63)**	**(2.02)**
Total Comprehensive Income	**440.12**	**966.81**

Our results of operation in the nine month period ended December 31, 2017 were particularly affected by the following factors:

- During the period, we completed 14 short term projects, and handed over Chennai and Madurai Kanyakumari OMT projects and Solapur and Kini Taswade long term projects and commenced Delhi entry Point Project
- Growth in the construction segment as a result of recognition of construction revenue of the NRR 1 project, NRR 2 project, Talaja Mahuva project and Mahuva Kagavadar project for which the appointed dates were received.

Income

Total income increased by 20.44% from ₹ 13,542.59 million in the nine months ended December 31, 2016 to ₹ 16,310.44 million in the nine months ended December 31, 2017.

Revenue from Operations

Our revenue from operations increased by 19.14% from ₹ 12,974.57 million in the nine months ended December 31, 2016 to ₹ 15,457.79 million in the nine months ended December 31, 2017 primarily due to increase in construction revenue which was partially offset by the completion and handing over of Solapur and Kini Taswade projects and Chennai and Madurai Kanyakumari OMT projects.

Other Income

Other income increased by 50.11% from ₹ 568.01 million in the nine months ended December 31, 2016 to ₹ 852.66 million in the nine months ended December 31, 2017, primarily due to write back of unspent maintenance provision in OMT projects.

Expenses

Total expenses increased by 15.51% from ₹ 13,551.04 million in nine months ended December 31, 2016 to ₹ 15,652.62 million in nine months ended December 31, 2017.

Operating and Maintenance Expenses

Operating and maintenance expenses increased significantly from ₹ 2,254.41 million in nine months ended December 31, 2016 to ₹ 8,266.49 million in the nine months ended December 31, 2017, primarily due to constructions expenses incurred by us relating to the recognition of construction revenues during the nine month period and the concession fee paid to the authority on account of the Delhi Entry Points Project.

Employee Benefit Expenses

Employee benefit expenses increased by 4.23% from ₹ 553.46 million in nine months ended December 31, 2016 to ₹ 576.89 million in the nine months ended December 31, 2017, primarily on account of the increase in employee costs on account of commencement of Delhi Entry Points Project and increase in EPC staff partially offset by the decrease in manpower on account of completion of short term tolling projects and OMT and long term projects.

Finance Costs

Finance costs decreased by 5.84% from ₹ 3,726.28 million in nine months ended December 31, 2016 to ₹ 3,508.83 million in the nine months ended December 31, 2017, primarily due to repayment of loans and unwinding of trade payables.

Depreciation, Amortization and Impairment

Depreciation and amortisation expenses decreased by 56.00% from ₹ 6,722.04 million in nine months ended December 31, 2016 to ₹ 2,957.82 million in the nine months ended December 31, 2017, primarily on account of completion and handover of certain short term toll collection projects, OMT and certain long term toll collection contracts.

Other Expenses

Other expenses increased by 16.20% from ₹ 294.84 million in the nine months ended December 31, 2016 to ₹ 342.59 million in the nine months ended December 31, 2017, primarily on account of an increase in rent, legal and professional fees. This increase was partially offset by a decrease in travelling and miscellaneous expenses.

Profit/Loss from operations before exceptional items

As a result of the foregoing, our profit from operations before exceptional items in the nine months ended December 31, 2017 was ₹ 657.82 million while in the nine months ended December 31, 2016, we incurred loss from operations before exceptional items of ₹ 8.45 million.

Exceptional Items

We did not have any exceptional item impact in the nine months ended December 31, 2017, while in the nine months ended December 31, 2016 we had profit from exceptional item of ₹ 1,579.34 million. Raima Toll Road Private Limited, our Subsidiary, handed over the project to the relevant authority in August 2016. Consequently, net provisions relating to major road maintenance amounting to ₹ 356.72 million (comprising provisions of ₹ 545.53 million disclosed as an exceptional item and deferred tax thereon amounting to ₹ 188.80 million included in tax expenses), intangible assets amounting to ₹ 6,468.40 million and concession fees payable to the authority amounting to ₹ 7,502.21 million (on which deferred tax amounted to ₹ 357.80 million) recognised consequent to the transition to Ind AS up to the previous fiscal year were reversed in Fiscal 2017. We believe that there will not be any material claims made by the relevant authority on Raima Toll Road Private Limited and accordingly have not accounted for any provision relating to potential costs.

Tax Expenses

Our total tax expense decreased by 57.70% from ₹ 581.24 million in the nine months ended December 31, 2016 to ₹ 245.86 million in the nine months ended December 31, 2017 primarily on account of reversal of deferred tax on exceptional items.

Profit after Tax

We incurred share of profit of associate and joint venture of ₹ 31.78 million in the nine months ended December 31, 2017, compared to a loss of ₹ 20.82 million in the nine months ended December 31, 2016.

As a result of the foregoing, our net profit after tax in the nine months ended December 31, 2017 was ₹ 443.74 million compared to profit after tax in the nine months ended December 31, 2016 of ₹ 968.83 million.

Total Comprehensive Income

We incurred other comprehensive loss of ₹ 3.63 million in the nine months ended December 31, 2017 compared to ₹ 2.02 million in the nine months ended December 31, 2016. Accordingly, total comprehensive income was ₹ 440.12 million in the nine months ended December 31, 2017 compared to ₹ 966.81 million in the nine months ended December 31, 2016.

FISCAL 2017 COMPARED TO FISCAL 2016 (UNDER IND AS)

Results of Operations

The following table sets forth certain information with respect to our results of operations for the periods indicated:

Particulars	Fiscal 2017	Fiscal 2016
	Ind AS	
	(₹ million)	
Income		
Revenue from operations	17,290.67	19,051.93
Other income	863.68	756.95
Total Income	**18,154.36**	**19,808.88**
Expenses		
Operating and maintenance expenses	3,280.24	2,600.10
Employee Benefit Expenses	733.52	744.34
Finance costs	4,930.90	6,421.88
Depreciation and amortisation expense	8,680.09	10,121.87
Other expense	389.04	399.54
Total Expenses	18,013.79	20,287.73
Profit/(loss) before exceptional items, share of net profits of investment accounted for using equity method and tax	**140.57**	**(478.85)**
Share of profit / (Loss) in Joint Venture and Associates accounted for using the equity method (net of tax)	**1.88**	**(44.58)**
Profit/(loss) before exceptional item and tax	**142.45**	**(523.42)**
Exceptional Items (net)	**1,579.34**	**-**
Profit/(loss) before tax	**1,721.79**	**(523.42)**
Income Tax expense		
Current tax		
For current year	107.36	331.04
For previous year	(1.63)	(24.23)
Deferred tax	526.81	(464.37)
Total tax expense	632.54	(157.56)
Profit from continuing operations	**1,089.25**	**(365.86)**
Other Comprehensive Income/(loss) from continued operations		
Other Comprehensive Income/(loss) from continued operations (Net of tax)	**(4.82)**	**(2.61)**
Total Comprehensive Income/(loss) from continued operations (Comprising Profit and Other Comprehensive Income for the period)	**1,084.43**	**(368.47)**

Our results of operation in Fiscal 2017 were particularly affected by the:

- Completion of Kini Taswade and Phalodi-Ramji toll collection projects and hand over of Madurai Kanyakumari project and Chennai Bypass project.

Income

Our total income decreased by 8.35% from ₹ 19,808.88 million in Fiscal 2016 to ₹ 18,154.36 million in Fiscal 2017.

Revenue from Operations

Revenue from operations decreased by 9.24% from ₹ 19,051.93 million in Fiscal 2016 to ₹ 17,290.67 million in Fiscal 2017, primarily due to completion of Kini Taswade and Phalodi-Ramji toll collection projects and hand over of Madurai Kanyakumari project and Chennai Bypass project during the year.

Other Income

Other income increased by 14.10% from ₹ 756.95 million in Fiscal 2016 to ₹ 863.68 million in Fiscal 2017. The increase in other income was primarily attributable to reversal of unspent maintenance provision of our Baramati Project and Mumbai Entry Points Project.

Expenses

Total expenses decreased by 11.21% from ₹ 20,287.73 million in Fiscal 2016 to ₹ 18,013.79 million in Fiscal 2017. The decrease in total expenses was primarily due to completion of Kini Taswade Project and Phalodi-Ramji toll collection projects and hand over of Madurai Kanyakumari project and Chennai Bypass project during the year.

Operating and Maintenance Expenses

Operating and maintenance expenses increased by 26.16% from ₹ 2,600.10 million in Fiscal 2016 to ₹ 3,280.24 million in Fiscal 2017. The increase in operating and maintenance expenses was primarily due to costs incurred on construction activities and increase in concession fee as compared to Fiscal 2016 for the projects where the concession fee was not amortised as intangibles due to extension of projects

Employee Benefit Expenses

Employee benefit expenses decreased by 1.45% from ₹ 744.34 million in Fiscal 2016 to ₹ 733.52 million in Fiscal 2017. The decrease in employee benefit expenses was primarily due to the decrease in the employee costs owing to the completion of Kini Taswade Project and Phalodi-Ramji toll collection projects and hand over of Madurai Kanyakumari project and Chennai Bypass project during the year.

Finance Costs

Finance costs expenses decreased by 23.22% from ₹ 6,421.88 million in Fiscal 2016 to ₹ 4,930.90 million in Fiscal 2017. This decrease in finance costs was primarily due to unwinding trade payables, and repayment of certain loans.

Depreciation, Amortization and Impairment

Depreciation and amortisation expenses decreased by 14.24% from ₹ 10,121.87 million in Fiscal 2016 to ₹ 8,680.09 million in Fiscal 2017. The decrease in depreciation and amortisation expenses was on account of completion of Kini Taswade Project and Phalodi-Ramji toll collection projects and hand over of Madurai Kanyakumari project and Chennai Bypass project during the year.

Other Expenses

Other expenses decreased by 2.63% from ₹ 399.54 million in Fiscal 2016 to ₹ 389.04 million in Fiscal 2017, primarily on decrease in travelling expenses and rates and taxes. This decrease was offset by an increase in legal, consultancy and professional fees.

Exceptional Items

While we did not have any exceptional item impact in Fiscal 2016, we recorded profit from exceptional item of ₹ 1,579.34 million in Fiscal 2017. The exceptional item was in relation to the handing over of Madurai – Kanyakumari project by our Subsidiary, RTRPL, to NHAI, under which the net provisions relating to major road maintenance amounting ₹ 356.72 million (comprising provisions of ₹ 545.53 million disclosed as exceptional item and deferred tax of ₹ 188.81 million included in tax expenses) and the intangible assets amounting to ₹ 6,468.40 million and concession fees payable to NHAI of ₹ 7,502.21 million (on which deferred tax amounted to ₹ 357.80 million) were recognised consequent to the transition to Ind AS up to the previous financial year and accordingly, were reversed during Fiscal 2017.

Profit before Taxes

As a result of the foregoing, we recorded a profit of ₹ 1,721.79 million in Fiscal 2017 compared to a loss of ₹ 523.42 million in Fiscal 2016.

Tax Expenses

While we had tax credit of ₹ 157.56 million in Fiscal 2016, tax expenses in Fiscal 2017 was ₹ 632.54 million. The increase in the total tax expenses was primarily due to a significant increase in deferred tax expenses on account of reversal of provision relating for maintenance of and write back of intangibles net of concession fee payable to authority of Madurai Kanyakumari project and reversal of deferred tax on account of Mumbai Entry Point Project.

Profit after Tax

In Fiscal 2017, we recorded share of profit from joint venture and associate companies of ₹ 1.88 million, compared to a loss of ₹ 44.58 million in Fiscal 2016.

As a result of the foregoing, while we incurred a loss of ₹ 365.86 million in Fiscal 2016, we recorded a profit of ₹ 1,089.25 million in Fiscal 2017.

Total Comprehensive Income

We incurred other comprehensive loss of ₹ 2.61 million and ₹ 4.82 million in Fiscal 2016 and Fiscal 20017, respectively. Accordingly, we recorded total comprehensive income of ₹ 1,084.43 million in Fiscal 2017, compared to loss incurred of ₹ 368.47 million in Fiscal 2016.

FISCAL 2016 COMPARED TO FISCAL 2015 (UNDER INDIAN GAAP)

Results of Operations

The following table sets forth certain information with respect to our results of operations for the periods indicated:

Particulars	Fiscal 2016	Fiscal 2015
	Indian GAAP	
	(₹ million)	
Income		
Revenue from operations	20,068.00	20,087.78
Other income	407.03	325.19
Total income	20,475.03	20,412.97
Expenses		
Operating and maintenance expenses	13,332.87	14,570.26
Employee benefit expenses	775.34	761.14
Finance costs	3,832.31	4,036.13
Depreciation and amortization	1,706.22	1,799.38
Other expenses	411.41	310.09
Total expenses	20,058.16	21,476.99
Profit /(Loss) before tax and prior period items	416.88	(1,064.03)
Prior period expense	-	(10.63)
Profit/(Loss) before tax	416.88	(1,074.66)
Tax expenses		
Current Tax		
-Current year	331.04	272.92
-Relating to earlier years	(24.23)	-
Mat credit entitlement	(25.42)	(8.25)
Deferred tax (credit)	(127.78)	(186.00)
Profit/(Loss) after tax	263.27	(1,153.33)

Our results of operation in Fiscal 2016 were particularly affected by the:

- Completion of various short term toll collection projects including Alwar Bhiwadi, Beliyad, Chirle Karanjade, Dankuni, Gazipur, Lalsat Kota, Alwar Sikandra, Panikholi, Pudukottai, Tendua and Tundla.

Income

Total income increased marginally from ₹ 20,412.97 million in Fiscal 2015 to ₹ 20,475.03 million in Fiscal 2016.

Revenue from Operations

Revenue from operations remained relatively steady ₹ 20,068.00 million in Fiscal 2016 compared to ₹ 20,087.78 million in Fiscal 2015. In Fiscal 2016, while there was a decrease in revenue from operations resulting from the completion of various short term toll collection projects including Alwar Bhiwadi, Beliyad, Chirle Karanjade, Dankuni, Gazipur, Lalsat Kota, Alwar Sikandra, Panikholi, Pudukottai, Tendua and Tundla, such decrease was offset by an increase in toll revenues from various long term and OMT projects.

Other Income

Other income increased by 25.17% from ₹ 325.19 million in Fiscal 2015 to ₹ 407.03 million in Fiscal 2016, primarily due to an increase in interest income from loans to parties (other than related parties).

Expenses

Total expenses decreased by 6.61% from ₹ 21,476.99 million in Fiscal 2015 to ₹ 20,058.16 million in Fiscal 2016, primarily due to the completion of various short term toll collection projects and lower recognition of concession fee on account of an amicable settlement of MEP Chennai Bypass Toll Road Private Limited.

Operating and Maintenance Expenses

Operating and maintenance expenses decreased by 8.49% from ₹ 14,570.26 million in Fiscal 2015 to ₹ 13,332.87 million in Fiscal 2016. The decrease in operating and maintenance expenses was primarily due to the completion of various short term toll collection projects and lower recognition of concession fee on account of amicable settlement in Chennai Bypass project. In addition, the repairs and maintenance expenditure was lower in OMT projects.

Employee Benefit Expenses

Employee benefit expenses increased by 1.87% from ₹ 761.14 million in Fiscal 2015 to ₹ 775.34 million in Fiscal 2016. The marginal increase in employee benefit expenses was primarily due to increase in costs in OMT and long term toll collection projects.

Depreciation and Amortization

Depreciation and amortisation expenses decreased by 5.18% from ₹ 1,799.38 million in Fiscal 2015 to ₹ 1,706.22 million in Fiscal 2016. The decrease in depreciation and amortisation expenses was primarily on account of the completion of the Phalodi-Ramji project.

Finance Costs

Finance costs decreased by 5.05% from ₹ 4,036.13 million in Fiscal 2015 to ₹ 3,832.31 million in Fiscal 2016. This decrease in finance costs was primarily due to reduction in bank interest resulting from repayment of certain loans, paid from the proceeds of the initial public offering of our Company. There was also a decrease in applicable bank processing fees.

Other Expenses

Other expenses increased by 32.67% from ₹ 310.09 million in Fiscal 2015 to ₹ 411.41 million in Fiscal 2016, primarily resulting from an increase in rates and taxes of RoC fees due to increase in authorised share capital; and increases in travelling cost, business promotion, and legal and professional consultancy fee.

Prior Period Expense

While we incurred prior period expense of ₹ 10.63 million in Fiscal 2015 relating to reversal of previous year expenditure, we did not incur any such expense in Fiscal 2016.

Tax Expenses

Total tax expenses increased by 95.26% from ₹ 78.67 million in Fiscal 2015 to ₹ 153.61 million in Fiscal 2016. The increase in total tax expenses was primarily due to an increase in profits of certain Subsidiaries in Fiscal 2016.

Profit after Tax

As a result of the foregoing, while we incurred a loss of ₹ 1,153.33 million in Fiscal 2015, we recorded a profit of ₹ 263.27 million in Fiscal 2016.

Liquidity and Capital Resources

Our liquidity requirements arise principally from our operating activities, capital expenditures for maintenance activities and if applicable, construction activities, the repayment of borrowings and debt service obligations. Historically, our principal sources of funding have included cash from operations, short and long term loan facilities, cash and cash equivalents and equity funding from our shareholders.

Cash Flow Discussions under Ind AS Financial Statements

The table below sets forth our cash flows under Ind AS in Fiscal 2016 and Fiscal 2017:

	Fiscal 2016	Fiscal 2017
	Ind AS (₹ million)	
Net cash from (used in) operating activities	4,525.52	3,989.09
Net cash from (used in) in investing activities	(727.29)	69.05
Net cash from (used in) financing activities	(3,736.38)	(4,257.26)
Net increase / (decrease) in cash and cash equivalents	61.85	(199.11)
Opening cash and cash equivalents	491.11	522.96
Add/(Less) Decrease in cash and cash equivalents pursuant to scheme of arrangement	-	-
Closing cash and cash equivalents	552.96	353.85

Operating Activities

Fiscal 2017

Net cash from operating activities was ₹ 3,989.10 million in Fiscal 2017. Our profit before tax was ₹ 1,721.79 million. The adjustments were primarily attributable to depreciation and amortization of ₹ 8,680.09 million, finance costs of ₹ 4,930.90 million and profit on property, plant and equipment sold of ₹ 8.81 million, offset in part by exception item of ₹ 1,579.34 million relating to the handing over of Madurai Kanyakumari project by our Subsidiary, RTRPL, to NHAI. For further details, see "- Fiscal 2017 compared to Fiscal 2016 (Under Ind AS) – Results of Operations – Exceptional Items". In addition, adjustments included interest income from related parties of ₹ 475.40 million, goodwill impairment of ₹ 3.40 million, interest income of ₹ 237.36 million and liabilities/ provisions no longer required to be written back of ₹ 143.00 million. As a result, our operating profit before working capital changes was ₹ 12,890.15 million in Fiscal 2017.

The key adjustments applied to operating profit before working capital changes were an increase in the current financial assets (loans) of ₹ 1,500.39 million, an increase in other non-current assets of ₹ 1,698.58 million, a decrease in trade payable of ₹ 4,983.64 million, and a decrease in non-current financial liabilities (others) of ₹ 2,108.17 million.

Fiscal 2016

Net cash from operating activities was ₹ 4,525.52 million in Fiscal 2016. Our loss before tax was ₹ 523.42 million. The adjustments were primarily attributable to depreciation and amortization of ₹ 10,121.87 million, finance costs of ₹ 6,421.88 million and share in profits of joint ventures of ₹ 44.58 million, offset in part by interest income from related parties of ₹ 475.04 million, interest income of ₹ 265.17 million and dividend income of ₹ 2.17 million. As a result, our operating profit before working capital changes was ₹ 15,318.05 million in Fiscal 2016.

The key adjustments applied to operating profit before working capital changes were a decrease in non-current financial liabilities (others) of ₹ 6,905.22 million, a decrease in trade payables of ₹ 3,109.32 million, primarily an increase in current financial assets (others) of ₹ 576.23 million and an increase in long term provisions of ₹ 327.91 million.

Investing Activities

Fiscal 2017

Net cash from investing activities was ₹ 69.06 million in Fiscal 2017, which was primarily attributable to purchase of property, plant and equipment including capital advances relating to HAM projects amounting to ₹ 93.05 million, sale of property and payment for plant and equipment amounting to ₹ 125.53 million, redemption/ maturity of fixed deposits for an amount of ₹ 636.57 million, interest received amounting to ₹ 546.01 million, loans given amounting to ₹ 769.11 million, offset in part by ₹ 1,441.31 million of investment in joint ventures in relation to HAM projects and investments of ₹ 659.31 million in fixed deposits.

Fiscal 2016

Net cash used in investing activities was ₹ 727.29 million in Fiscal 2016, which was primarily attributable to payments for purchase of property, plant and equipment including capital advances of ₹ 888.53 million, investments of ₹ 1,081.50 million in fixed deposits and loans given amounting to ₹ 94.98 million, offset in part by the redemption/ maturity of fixed deposits to the tune of ₹ 988.73 million, sale of investments of ₹ 106.33 million and interest of ₹ 240.70 million received.

Financing Activities

Fiscal 2017

Net cash used in financing activities was ₹ 4,257.26 million in Fiscal 2017, resulting primarily from repayment of borrowings of ₹ 5,427.06 million and payment of interest of ₹ 3,242.71 million, offset in part by proceeds from borrowings of ₹ 4,451.64 million.

Fiscal 2016

Net cash used in financing activities was ₹ 3,736.38 million in Fiscal 2016, resulting primarily from payment of interest of ₹ 4,189.40 million and repayment of borrowing of ₹ 4,545.71 million, offset in part by proceeds from borrowings of ₹ 1,905.24 million.

Cash Flow Discussions under Indian GAAP Financial Statements

The table below summarizes our cash flows under Indian GAAP in Fiscal 2015 and Fiscal 2016:

	Fiscal 2015	Fiscal 2016
	Indian GAAP	
	(₹ million)	
Net cash from operating activities	2,755.32	4,268.44
Net cash from (used in) investing activities	(872.11)	(499.41)
Net cash from (used in) financing activities	(2,156.20)	(3,698.30)
Net increase / (decrease) in cash and cash equivalents	(272.99)	70.72
Opening cash and cash equivalents	764.13	491.14
Add/(Less) Decrease in cash and cash equivalents pursuant to scheme of arrangement	-	-
Closing cash and cash equivalents	491.14	561.86

Operating Activities

Fiscal 2016

Net cash from operating activities was ₹ 4,268.44 million in Fiscal 2016. Our profit before tax was ₹ 416.88 million. The adjustments were primarily attributable to depreciation and amortization of ₹ 1,706.22 million, finance costs of ₹ 3,832.31 million, offset in part by interest income of ₹ 388.46 million and dividend income of ₹ 2.17 million. As a result, our operating profit before working capital changes was ₹ 5,564.20 million in Fiscal 2016.

The key adjustments for movement in working capital were an increase in loans and advances of ₹ 1,115.72 million, an increase in trade payables of ₹ 681.81 million, a decrease in other liabilities of ₹ 517.79 million, and an increase in other assets of ₹ 339.84 million.

Cash generated from our operations was ₹ 4,539.06 million in the Fiscal 2016, which was adjusted for income taxes payments amounting to ₹ 270.62 million.

Fiscal 2015

Net cash from operating activities was ₹ 2,755.32 million in Fiscal 2015. Our loss before tax was ₹ 1,074.66 million. The adjustments were primarily attributable to depreciation and amortization of ₹ 1,799.38 million, finance costs of ₹ 4,036.13 million, offset in part by interest income of ₹ 303.91 million and dividend income of ₹ 6.39 million, profit from sale of fixed assets of ₹ 1.81 million and profit from sale of investment in subsidiary of ₹ 4.73 million. As a result, our operating profit before working capital changes was ₹ 4,437.78 million in Fiscal 2015.

The key adjustments for movement in working capital were an increase in loans and advances of ₹ 1,786.10 million, an increase in trade payables of ₹ 1,199.17 million a decrease in other liabilities of ₹ 404.06 million, and an increase in other assets of ₹ 332.45 million.

Cash generated from our operations was ₹ 3,153.10 million in the Fiscal 2015, which was adjusted for income taxes payments amounting to ₹ 397.78 million.

Investing Activities

Fiscal 2016

Net cash used in investing activities was ₹ 499.41 million in Fiscal 2016, which was primarily attributable to payments for purchase of tangible assets of ₹ 645.64 million, investments of ₹ 1,081.51 million in fixed deposits, purchase of current investments of ₹ 1.72 million and loans given amounting to ₹ 112.19 million, offset in part by the redemption/ maturity of fixed deposits to the tune of ₹ 988.73 million, sale of investments of ₹ 108.05 million and interest of ₹ 240.70 million received.

Fiscal 2015

Net cash used in investing activities was ₹ 872.11 million in Fiscal 2015, which was primarily attributable to payments for purchase of tangible assets of ₹ 272.59 million, investments of ₹ 1,118.00 million in fixed deposits, investment in enterprises over which significant influence is exercised by key managerial personnel of ₹ 209.00 million, purchase of current investments of ₹ 114.17 million and loans given amounting to ₹ 652.65 million, offset in part by the redemption/ maturity of fixed deposits to the tune of ₹ 985.26 million, interest received of ₹ 309.53 million, repayment of loans and advances ₹ 165.54 million and sale of current investments of ₹ 16.10 million.

Financing Activities

Fiscal 2016

Net cash used in financing activities was ₹ 3,698.30 million in Fiscal 2016, resulting primarily from repayment of borrowings of ₹ 4,551.44 million and payment of finance costs of ₹ 4,189.40 million, offset in part by proceeds from borrowings of ₹ 1,949.05 million and proceeds from issue of equity shares of ₹ 3,240.00 million.

Fiscal 2015

Net cash used in financing activities was ₹ 2,156.20 million in Fiscal 2015, resulting primarily from repayment of borrowings of ₹ 1,582.89 million and payment of finance costs of ₹ 4,114.30 million, offset in part by proceeds from borrowings of ₹ 3,291.00 million and proceeds from issue of equity shares of ₹ 250.00 million.

Changes in Accounting Policies Resulting from Transition to Ind AS and Reconciliation with Indian GAAP

Ind AS requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous Indian GAAP to Ind AS:

First-time adoption of Ind AS – Reconciliation

Particulars	**As of April 1, 2015 (Date of transition)**			**As of March 31, 2016 (End of last period presented under Indian GAAP)**		
	Indian GAAP	**Effect of transition to Ind AS**	**As per Ind AS Balance Sheet**	**Indian GAAP**	**Effect of transition to Ind AS**	**As per Ind AS Balance Sheet**
	(₹ million)					
ASSETS						
Non-Current Assets						
Property, Plant and Equipment	283.35	-	283.35	614.57	(5.42)	609.15
Capital Work-In-Progress	162.68	-	162.68	66.67	-	66.67
Goodwill on Consolidation	265.20	-	265.20	265.20	-	265.20
Other Intangible Assets	21,010.79	18,304.74	39,315.52	19,413.50	15,590.30	35,003.80
Financial Assets	-	-	-	-	-	-
Investments	216.12	-	216.12	216.62	-	216.62
Loans	4,380.98	596.37	4,977.35	4,195.10	927.01	5,122.10
Other Financial Assets	387.26	-	387.26	430.29	-	430.29
Deferred Tax Assets (Net)	941.39	639.79	1,581.18	1,069.93	975.21	2,045.14
Income Tax Assets	285.61	(11.82)	273.79	274.83	(36.64)	238.19
Other Non-Current Assets	4,017.68	51.78	4,069.46	4,494.34	46.21	4,540.55
Total Non-Current Assets	**31,951.06**	**19,580.86**	**51,531.92**	**31,041.06**	**17,496.67**	**48,537.72**
Current Assets	-	-	-	-	-	-
Financial Assets	-	-	-	-	-	-
Investments	106.33	-	106.33	-	-	-
Trade Receivables	258.28	-	258.28	1.73	-	1.73
Cash and Cash Equivalents	491.14	(0.03)	491.11	561.86	(8.91)	552.96
Bank Balances Other Than Cash and Cash Equivalents	857.03	-	857.03	936.60	-	936.60
Loans	540.81	-	540.81	843.81	-	843.81
Other Financial Assets	840.75	-	840.75	1,525.38	(16.40)	1,508.98
Other Current Assets	1,310.72	6.53	1,317.25	1,956.59	7.05	1,963.64
Total Current Assets	4,405.06	6.49	4,411.56	5,825.96	(18.25)	5,807.71
Total Assets	36,356.12	19,587.36	55,943.48	36,867.02	17,478.42	54,345.44
EQUITY AND LIABILITIES	-	-	-	-	-	-
Equity	-	-	-	-	-	-
Equity Share Capital	1,114.94	-	1,114.94	1,625.69	-	1,625.69
Other Equity	(3,379.39)	(1,524.92)	(4,904.31)	(613.05)	(2,137.09)	(2,750.14)
Total Equity	**(2,264.45)**	**(1,524.92)**	**(3,789.37)**	**1,012.64**	**(2,137.09)**	**(1,124.45)**
Liabilities	-	-	-	-	-	-
Non-Current Liabilities	-	-	-	-	-	-
Financial Liabilities						
Borrowings	29,567.62	(216.46)	29,351.16	26,570.18	(183.00)	26,387.19
Trade Payables	1,044.00	12,998.78	14,042.78	522.00	6,615.56	7,137.56
Deferred Tax Liabilities (Net)	-	2.05	2.05	0.16	0.19	0.35
Provisions	22.74	810.13	832.87	31.19	1,196.76	1,227.95
Total Non-Current Liabilities	**30,634.36**	**13,594.50**	**44,228.86**	**27,123.53**	**7,629.51**	**34,753.04**
Current Liabilities	-	-	-	-	-	-

Particulars	As of April 1, 2015 (Date of transition)			As of March 31, 2016 (End of last period presented under Indian GAAP)		
	Indian GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Indian GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
	(₹ million)					
Financial Liabilities	-	-	-	-	-	-
Borrowings	2,071.64	(1.77)	2,069.87	2,506.16	(44.95)	2,461.22
Trade Payables	3,190.43	7,460.93	10,651.36	3,886.94	11,845.75	15,732.69
Other Financial Liabilities	2,553.67	(1.59)	2,552.09	2,172.74	3.36	2,176.10
Other Current Liabilities	165.65	0.00	165.65	139.23	(4.90)	134.33
Provision	4.82	60.20	65.03	25.79	186.72	212.50
Total Current Liabilities	**7,986.21**	**7,517.78**	**15,503.99**	**8,730.85**	**11,985.99**	**20,716.84**
Total Liabilities	**38,620.57**	**21,112.28**	**59,732.85**	**35,854.38**	**19,615.50**	**55,469.88**
Total Equity and Liabilities	**36,356.12**	**19,587.36**	**55,943.48**	**36,867.02**	**17,478.42**	**54,345.44**

Reconciliation between Balance Sheet under Indian GAAP and IND AS for the year ended March 31, 2016 and Ind AS first-time adoption on April 1, 2015 re-presented as under:

Particulars	First Time Adoption	12 Months
	April 1, 2015	March 31, 2016
	(₹ million)	
Net worth under Indian GAAP	2,264.45	(1,012.64)
Summary of Ind AS adjustments		
Floating rate borrowing - EIR Adjustment	(218.38)	(180.16)
Fixed rate borrowing - EIR Adjustment	(1.38)	(0.64)
Reversal of proposed dividend		(16.26)
Reversal of dividend distribution tax		(3.31)
Provision of significant maintenance obligation	870.33	1,403.05
Fair value of security deposit	0.24	0.26
Loan given with step up interest (EIR calculation)	(662.05)	(1,007.13)
Fair value of performance security	7.17	8.52
Intangible assets - Toll collection rights	2,154.97	2,871.18
Equity accounting of KVM Technology Solutions Private Limited	(0.05)	(0.05)
Deferred Tax Impact	(625.92)	(938.38)
Total Ind AS adjustments	2,150.84	3,075.47
Total Deferred Tax impact on Ind AS adjustment	(625.92)	(938.38)
Ind AS Net Worth	3,789.37	1,124.45

Statement of Profit and Loss for the Reconciliation

Particulars	Fiscal 2016		
	As per Indian GAAP	Ind AS Adjustments	As per Ind AS
	(₹ million)		
Revenue from operations	20,068.00	(1,016.07)	19,051.93
Other Income	407.03	349.92	756.95
Total Income	**20,475.03**	**(666.15)**	**19,808.88**
Expenses			
Operating and Maintenance expenses	13,332.87	(10,732.77)	2,600.10
Employee Benefits Expenses	775.34	(31.01)	744.34
Changes in Inventories of Finished Goods and Work in Progress	-	-	-
Finance Costs	3,832.31	2,589.57	6,421.88
Depreciation and Amortisation Expense	1,706.22	8,415.65	10,121.87
Other Expenses	411.41	(11.87)	399.54
Total Expenses	**20,058.16**	**2,295.73**	**20,287.73**

Particulars	Fiscal 2016		
	As per Indian GAAP	Ind AS Adjustments	As per Ind AS
	(₹ million)		
Profit/(loss) before exceptional items, share of net profits of investment accounted for using equity method and tax	**416.88**	**(895.72)**	**(478.85)**
Share of profit / (Loss) in Joint Venture and Associates accounted for using the equity method (net of tax)	**-**	**(44.58)**	**(44.58)**
Profit/(loss) before exceptional item and tax	416.88	(940.30)	(523.42)
Exceptional Items	-	-	-
Profit/(loss) before tax	**416.88**	**(940.30)**	**(523.42)**
Income Tax expense			
Current tax	-	-	-
For current year	331.04	-	331.04
For previous year	(24.23)	-	(24.23)
Deferred tax	(153.20)	(311.17)	(464.37)
Total tax expense	153.61	(311.17)	(157.56)
Profit from continuing operations	**263.27**	**(629.13)**	**(365.86)**
Other Comprehensive Income/(loss) from continued operations			
(i) Items that will not be reclassified to profit or loss	-	-	-
Remeasurement of defined benefit obligations	-	(3.90)	(3.90)
(ii) Income tax relating to above items that will not be reclassified to profit or loss	-	1.29	1.29
Other Comprehensive Income/(loss) from continued operations (Net of tax)	**-**	**(2.61)**	**(2.61)**
Total Comprehensive Income/(loss) from continued operations (Comprising Profit and Other Comprehensive Income for the period)	**263.27**	**(631.73)**	**(368.47)**

Particulars	Fiscal 2016
	(₹ million)
Comprehensive income under Indian GAAP	263.27
Floating rate borrowing - EIR Adjustment	(38.22)
Fixed rate borrowing - EIR Adjustment	(0.75)
Provision of significant maintenance obligation	(532.72)
Fair value of security deposit	(0.02)
Loan given with step up interest (EIR calculation)	345.07
Fair value of performance security	(1.35)
Intangible assets - Toll collection rights	(716.21)
Impact of Deferred Tax on above adjustment	294.38
Change in deferred Tax	18.08
Total Ind AS adjustments	**(631.73)**
Comprehensive income under Ind AS	**(368.47)**

Exemptions applied:

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS as at the transition date, *i.e.*, April 1, 2015.

Ind AS optional exemptions

- *Deemed Cost* – We have elected to continue with the carrying value of all of our property, plant and equipment recognised as on the transition date measured as per Indian GAAP and use that carrying value as deemed cost.

- *Business Combinations* – Business combinations were not restated retrospectively in accordance with Ind AS 103 - Business Combinations. The carrying amounts of assets acquired and liabilities assumed as part of past business combinations as well as the amounts of goodwill that arose from such transactions as they were determined under Indian GAAP are considered their deemed cost under Ind AS at the date of transition. We have applied same exemption for investment in associates and joint ventures.

- *Joint ventures* – Transition from proportionate consolidation to the equity method. We have 33% interest in KVM Technology Solutions Private Limited and exercise joint control. Under Indian GAAP, we had proportionately consolidated our interest in this company in the consolidated financial statements. On the date of transition, we have accounted for our interest in this company using the equity method as against proportionate consolidation. For the application of equity method, the initial investment is measured as the aggregate of Ind AS amounts of assets and liabilities that we had previously proportionately consolidated.

The following mandatory exceptions have been applied in accordance with Ind AS 101

- *Derecognition of Financial Assets and Financial Liabilities* – We have opted to apply the exemption available under Ind AS 101 to apply the derecognition criteria of Ind AS 109 prospectively for the transactions occurring on or after the date of transition to Ind AS.

- *Estimates* – Upon an assessment of the estimates made under Indian GAAP, our Company has concluded that there was no necessity to revise such estimates under Ind AS.

- *Classification and Measurement of Financial Assets* – We have classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist on the date of transition to Ind AS.

- *Non-Controlling Interest* – Ind AS 101 permits a first-time adopter to apply the following requirements of Ind AS 110 prospectively from the date of transition to Ind AS:

  (i) the requirement that total comprehensive income should be attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

  (ii) the requirement that do not result in a loss of control, i.e., considering such a change as an equity transaction (transaction with owners in their capacity as owners) to be accounted for accordingly.

For further details, see "Financial Statements - Note 1A – First-time Adoption of Ind AS - Ind AS Audited Consolidated Financial Statements for the Fiscal 2017" on page F-208.

Indebtedness

As of March 31, 2017, we had long term borrowings of ₹ 27,566.58 million and short term borrowings of ₹ 2,011.88 million. The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2017, and our repayment obligations in the periods indicated:

Particulars	As of March 31, 2017				
	Ind AS				
	Payment due by period				
	Total	Not later than 1 year	1-3 years	3-5 years	More than 5 years
	(₹ million)				
Long term borrowings					
Secured	27,566.58	2,417.10	5,419.72	7,821.92	11,907.84
Unsecured	-	-	-	-	-
Total long term borrowings	**27,566.58**	**2,417.10**	**5,419.72**	**7,821.92**	**11,907.84**
Short Term Borrowings					
Secured	2,011.40	2,011.40	-	-	-
Unsecured	0.48	0.475	-	-	-
Total Short Term Borrowings	**2,011.88**	**2,011.88**	-	-	-

As of September 30, 2017, our total outstanding indebtedness was ₹ 30,353.97 million, comprising long term borrowings of ₹ 29,042.54 million and short term borrowings of ₹ 1,311.43 million.

The principal amounts outstanding under the borrowings bear interest either at a fixed rate or at a floating rate. Our floating rate borrowings are generally linked base rates and/or MCLR of respective banks.

Capital Commitments and Contingent Liabilities

Capital Commitments

The following table sets forth certain information relating to future payments due under known contractual commitments as of March 31, 2017, aggregated by type of contractual obligation:

Particulars	As of March 31, 2017				
	Ind AS				
	Payment due by period				
	Total	Not later than 1 year	1-3 years	3 -5 years	More than 5 years
	(₹ million)				
Obligations under capital leases	-	-	-	-	-
Capital commitments	264.58	264.58	-	-	-
Non-cancellable operating lease obligations	185.43	36.01	90.97	58.45	-
Purchase obligations	-	-	-	-	-
Other long term liabilities	6,556.8	605.83	2,044.11	3,591.81	315.06
Total Contractual Obligations	**7,006.82**	**906.42**	**2,135.08**	**3,650.26**	**315.06**

Contingent Liabilities

Set forth below is a breakdown of our contingent liabilities as of March 31, 2017 and as of September 30, 2017:

Particulars	As at March 31, 2017	As of September 30, 2017
	Ind AS	
	(₹ million)	
Claims made against the Company not acknowledged as debts by the Company	2,353.44	1,536.33
Guarantees given by banks	6,389.99	6,389.99
Corporate guarantees given	19,777.69	19,777.69
Total	**28,521.13**	**27,704.02**

Capital Expenditures

In Fiscal 2016, Fiscal 2017 and in the nine months ended December 31, 2017, our capital expenditure towards various assets and capital work-in-progress were ₹ 520.70 million, ₹ 460.89 million and ₹ 678.75 million, under Ind AS, respectively.

Off Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with standalone entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Interest Coverage Ratio

Our interest coverage ratio (profit before interest and tax divided by actual interest cost incurred) as of March 31, 2016, March 31, 2017 and as of December 31, 2017 computed in accordance with Ind AS was 1.56, 1.40, and 1.58, respectively. Interest coverage ratio under Indian GAAP as of March 31, 2015 was 0.75. Interest coverage ratio is calculated based on actual interest cost incurred on borrowings for the respective fiscals. Ind AS adjustments for Fiscal 2016, Fiscal 2017 and the nine months ended December 31, 2017 have not been considered for calculation of interest cost considered for deriving interest coverage ratio.

Related Party Transactions

We have engaged in the past, and may engage in the future transactions with related parties on an arm's lengths basis. Such transactions could be in the nature of, *inter alia,* loans, maintenance services, transfer of moveable and immovable properties and entering into EPC contracts with our subsidiaries.

Changes in Accounting Policy

Except as disclosed in "-Changes in Accounting Policies Resulting from Transition to Ind AS and Reconciliation with Indian GAAP" on page 115 and in this Preliminary Placement Document, there have been no changes in our Company's accounting policies during the last five fiscals. For further information, see "Financial Statements" on page 244.

Quantitative and Qualitative Disclosures about Market Risk

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodities risk. The financial instruments that are affected by these risks include loans, bonds and borrowing, deposits, available-for-sale investments and derivative financial instruments. We are exposed to commodity risk, interest rate risk and credit risk in the normal course of our business.

Qualitative Disclosure about Market Risks

Interest Rate Risk

Interest rate risk arises when we are exposed to changes in the fair value of our interest rate sensitive financial instruments and borrowings which arise from changes in market interest rates. Substantially all of our indebtedness is on floating interest rate basis, and hence we are exposed to changes in interest rates. We do not currently use any derivative instruments to modify the nature of our exposure to floating rate indebtedness or our deposits so as to manage interest rate risk.

Commodity Price Risk

We are exposed to market risk with respect to materials and components used for maintenance and ongoing operations of our projects. The costs for these raw materials and components fluctuate based on commodity prices. The costs of components sourced from outside manufacturers may also fluctuate based on their availability from suppliers. Increase in price of materials and components resulting in an unexpected increase in operating and maintenance costs of the project, to the extent not covered by increase in toll rates, could have an adverse effect on our results of operations and financial condition.

Liquidity Risk

Liquidity Risk refers to the insufficiency of funds to meet financial obligations. Liquidity risk management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

Inflation

India has experienced fluctuation in inflation rates in recent years and increase in inflation rates may adversely affect growth in the Indian economy.

We have a substantial amount of indebtedness, which requires significant cash flows to service such debts and will continue to have substantial indebtedness and debt service obligations in the future. Increase in inflation rates may result in increase in interest rates which will in turn affect our interest expense in respect of our borrowings.

Inflation is also relevant with respect to the cost of materials and components used for maintenance and ongoing operations of our projects. As inflation increases, costs of material and components may also increase leading to an increase in our operating and maintenance costs.

While annual revision in toll rates is linked to variation in the Wholesale Price Index for our OMT projects with NHAI, escalation in toll rates for our other projects is either pre-fixed or based on a mechanism set forth in the contract or based on notifications to be issued by a competent authority. Increase in toll rates may not be adequate to cover the impact of increase in interest rate and increase in operating and maintenance costs. Further, the inflation costs of EPC contracts are covered and reimbursed by the NHAI or the MoRTH, as the case may be.

Known Trends or Uncertainties

Other than as described in this Preliminary Placement Document, particularly in the sections "Risk Factors" and "*Business*" and in this section, to our knowledge, there are no known trends or uncertainties or significant economic changes that are expected to have a material adverse impact on our revenues or income from continuing operations.

Future Relationship between Costs and Income

Other than as described in the sections "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 55 and 91, respectively, to our knowledge, there are no known factors which will have a material adverse impact on our operations and finances.

Competitive Conditions

We operate in a competitive environment. Since all of our projects are awarded through competitive bidding process, the competition for each contract depends on the parties that meet the criteria to bid for such projects. We are subject to intense competition, both in relation to (i) toll management and OMT contracts; and (ii) HAM projects. For toll management, in addition to certain large-scale players having a national presence, we compete with local players who also bid for toll contracts. For OMT projects, we compete with those bidders who have achieved BOT or OMT pre-qualification of the relevant authority. For HAM projects, we compete with the EPC companies executing the highway projects. For further details regarding our competitive conditions and our competitors, see "Risk Factors" and "Our Business" on pages 55 and 156, respectively.

Significant Economic Changes

Our business is substantially dependent on road projects in India undertaken or awarded by government authorities and other entities funded by governments. Any change in government policies resulting in a decrease in the amount of road and bridge projects undertaken or a decrease in private sector participation in road and bridge projects may adversely affect our business and results of operations. For further details, see "Industry Overview" on page 137.

Seasonality

Seasonal variations may adversely affect our businesses. For example, traffic volumes, and consequently our revenue, typically register a decrease during monsoon on account of a decrease in number of persons travelling by car. Severe weather may also require us to evacuate personnel or curtail services, may result in damage to a portion of our equipment or facilities resulting in the suspension of operations, and increase our maintenance costs. For further details see "Risk Factors" on page 55.

Significant Dependence on a Single or Few Customers

Our business is substantially dependent on road projects in India undertaken or awarded by governmental authorities and other entities funded by the GoI and/or state governments. We derive almost all of our revenue from contracts awarded by a limited number of government entities, namely NHAI, MSRDC, RIDCOR, RSRDC, MoRTH, MJPRCL, SMDC and HRBC. Our business could be materially and adversely affected if there are adverse changes in the policies and delays in awarding contracts by these authorities, among other risks. For further details see "Risk Factors" on page 55.

Auditor Observations

The following table sets forth a summary of reservations, qualifications and adverse remarks by our auditor for the previous five financial years and the current status of the issue and the impact on our financial information and financial position, if any:

Fiscal/ Period	Reservations / Qualifications / Remarks	Company Response
Reviewed Ind AS Condensed Standalone Financial Statements		
Qualification		
Nine months ended December 31, 2017	Note 3 to the statement states that the unaudited financial results include outstanding receivables of ₹ 71.01 million as at December 31, 2017 from a jointly controlled entity — SMYR Consortium LLP. In the absence of a balance confirmation from this entity as at December 31, 2017, the auditors are unable to comment on the recoverability of the aforementioned balance and the consequential impact, if any, on the financial statements.	Our Company is a 25% shareholder in SMYR Consortium LLP (an associate concern established to operate a toll tax collection project at New Delhi region) and has a receivable of ₹ 71.01 million from the SMYR Consortium LLP. The SMYR Consortium LLP financial statements are yet under audit and the management is in the process of obtaining a confirmation for this receivable.
Reviewed Ind AS Condensed Consolidated Financial Statements		
Qualification		
Nine months ended December 31, 2017	Note 8 to the statement states that the unaudited financial results include outstanding receivables of ₹ 71.01 million as at December 31, 2017 from a jointly controlled entity — SMYR Consortium LLP. In the absence of a balance confirmation from this entity as at December 31, 2017, the auditors are unable to comment on the recoverability of	Our Company is a 25% shareholder in SMYR Consortium LLP (an associate concern established to operate a toll tax collection project at New Delhi region) and has a

Fiscal/ Period	Reservations / Qualifications / Remarks	Company Response
	the aforementioned balance and the consequential impact, if any, on the financial statements.	receivable of ₹ 71.01 million from the SMYR Consortium LLP. The SMYR Consortium LLP financial statements are yet under audit and the management is in the process of obtaining a confirmation for this receivable.
Matters of Emphasis		
Nine months ended December 31, 2017	Note 5 to the statement mentions that one of the subsidiary company has preferred claims with National Highway Authority of India ("the Authority"), aggregating to ₹ 3,397.37 million plus interest thereon on account of on account of toll evasion and force majeure issues arising from non-compliance of the concession agreement by the Authority. However, the Company's subsidiary has not recognized the claims in the financial statements pending final approval from the Authority. Also, the Subsidiary Company has not recognized contractual obligations to pay to the Authority, a sum of ₹ 28.00 million for the year ended March 31, 2017 in addition to the sum of ₹ 1,284.32 million for the period from November 1, 2014 to March 31, 2016. The approval by NHAI of the claims made by the company, based on the assessment of the Independent Engineer appointed by it, is pending and hence no provision for the unpaid amount is considered necessary till December 2017.	Our Subsidiary, MEP CB, has not recognized the claims preferred by MEP CB with NHAI on account of final settlement of arbitration claims in relation to certain toll evasion and force majeure issues arising from non-compliance of the concession agreement by NHAI. The matter is currently under arbitration.
Nine months ended December 31, 2017	Note 6 of the statements mentions that one of the Company's subsidiary company handed over its project to the authority on August 25, 2016. Consequently, the net provisions relating to major road maintenance amounting ₹ 356.72 million (comprising provisions of ₹ 545.53 million disclosed as exceptional item and deferred tax there on amounting ₹ 188,81 million included in tax expenses) and the intangible assets amounting to ₹ 6,468.40 million and concession fees payable to the authority amounting to ₹ 7,502.21 million (on which deferred tax amounts to ₹ 357.80 million) recognized consequent to the transition to Ind AS up to March 31, 2016, are reversed during the quarter ended June 30, 2016 and September 30, 2016 respectively. (This accounting treatment has arisen consequent to the transition to Ind AS and the opinion of the Expert Advisory Committee of the ICAI in this regard is being sought by the company) The Company believes that there would not be any material claims made by the authority on the subsidiary and therefore no provisions for any costs that may arise have been presently recognized. Further, the subsidiary has lodged claims on account of lesser user fee paid by State Transport buses with the concerned authority on an estimated basis amounting to nil for the period ended December 31, 2017 (₹ 50.63 million during the period ended December 31, 2016) which are recorded under 'Revenue from operations'.	Our Company believes that there would not be any material claims made by NHAI on our Subsidiary, RTRPL and therefore no provisions for any costs that may arise have been presently recognized. Further, our Company is awaiting the opinion from the expert advisory committee of the ICAI.
Reviewed Ind AS Condensed Standalone Financial Statements		
Qualification		
Six months ended September 30, 2017	Note 3 to the statement states that the unaudited financial results include outstanding receivables of ₹ 71.01 million as at September 30, 2017 from a jointly controlled entity — SMYR Consortium LLP. In the absence of a balance confirmation from this entity as at September 30, 2017, the auditors are unable to comment on the recoverability of the aforementioned balance and the consequential impact, if any, on the financial statements.	Our Company is a 25% shareholder in SMYR Consortium LLP (an associate concern established to operate a toll tax collection project at New Delhi region) and has a receivable of ₹ 71.01 million from the SMYR Consortium LLP. The SMYR Consortium LLP financial statements are yet under audit and the management is in the process of obtaining a confirmation for this receivable

Fiscal/ Period	Reservations / Qualifications / Remarks	Company Response
Reviewed Ind AS Condensed Consolidated Financial Statements		
Qualification		
Six months ended September 30, 2017	Note 8 to the statement states that the unaudited financial results include outstanding receivables of ₹ 71.01 million as at September 30, 2017 from a jointly controlled entity — SMYR Consortium LLP. In the absence of a balance confirmation from this entity as at September 30, 2017, the auditors are unable to comment on the recoverability of the aforementioned balance and the consequential impact, if any, on the consolidated financial statements.	Our Company is a 25% shareholder in SMYR Consortium LLP (an associate concern established to operate a toll tax collection project at New Delhi region) and has a receivable of ₹ 71.01 million from the SMYR Consortium LLP. The SMYR Consortium LLP financial statements are yet under audit and the management is in the process of obtaining a confirmation for this receivable
Matters of Emphasis		
Six months ended September 30, 2017	Note 5 to the statement mentions that one of the subsidiary company has preferred claims with National Highway Authority of India ("the Authority"), aggregating to ₹ 3,397.37 million plus interest thereon on account of on account of toll evasion and force majeure issues arising from noncompliance of the concession agreement by the Authority. The Company's subsidiary has not recognized the claims in the financial statements pending final approval from the Authority. Under the orders of the Hon'ble High Court of Delhi, both the Company and the Authority were directed to amicably settle the disputes. As a part of the amicable settlement, Independent Engineer has evaluated the claims made by the Company from time to time. However, final settlement on the same is yet to conclude. The estimated loss during the corresponding period as assessed by the Independent Engineer appointed by the Authority is much higher than the claims submitted to the Authority. Hence, the Company's subsidiary has not recognized amount payable to the Authority aggregating nil during the quarter and half year ended September 30, 2017 (₹ 2.80 million for the quarter and half year ended September 2016) in addition to the sum of ₹ 1,284.32 million for the period from November 1, 2014 to March 31, 2016. As part of the settlement, the Company has handed over the project facilities and the toll plazas to the NHAI from April 9, 2016. The settlement of claims will be dealt as per the provisions of the concession agreement, and the matter is currently under arbitration and hence, no provision for the unpaid amount is considered necessary till September 2017.	Our Subsidiary, MEP CB, has not recognized the claims preferred by MEP CB with NHAI on account of final settlement of arbitration claims in relation to certain toll evasion and force majeure issues arising from non-compliance of the concession agreement by NHAI. The matter is currently under arbitration.
Six months ended September 30, 2017	Note 6 of the statements mentions that one of the Company's subsidiary company handed over its project to the Authority on August 25, 2016. Consequently, the net provisions relating to major road maintenance amounting ₹ 356.72 million (comprising provisions of ₹ 545.53 million disclosed as exceptional item and deferred tax there on amounting ₹ 188.81 million included in tax expenses) and the intangible assets amounting to ₹ 6,468.40 million and concession fees payable to the authority amounting to ₹ 7,502.21 million (on which deferred tax amounts to ₹ 357.80 million) recognized consequent to the transition to Ind AS up to March 31, 2016, were reversed during the quarter ended June 30, 2016 and September 30, 2016, respectively. (This accounting treatment has arisen consequent to the transition to Ind AS and the opinion of the expert advisory committee of the ICAI in this regard is being sought by the company). The Company believes that there would not be any material claims made by the authority on the subsidiary and therefore no provisions for any costs that may arise have been presently recognized. Further, the subsidiary has lodged claims on account of lesser user fee paid by State Transport buses with the concerned authority on an estimated basis amounting nil for the quarter ended September 30, 2017 (₹ 19.74 million during the quarter	Our Company believes that there would not be any material claims made by NHAI on our Subsidiary, RTRPL and therefore no provisions for any costs that may arise have been presently recognized. Further, our Company is awaiting the opinion from the expert advisory committee of the ICAI.

Fiscal/ Period	Reservations / Qualifications / Remarks	Company Response
	and ₹ 50.63 million during the half year ended September 30, 2016) which are recorded under "Revenue from operations".	
Ind AS Standalone Financial Statements		
Qualifications		
2017	The Company has outstanding receivables of ₹ 71.01 million as at March 31, 2017 from a jointly controlled entity. In the absence of a balance confirmation from the jointly controlled entity as at March 31, 2017, the auditors are unable to comment on the recoverability of the aforementioned balance and the consequential impact, if any, on the standalone financial statements.	Our Company is a 25% shareholder in SMYR Consortium LLP (an associate concern established to operate a toll tax collection project at New Delhi region) and has a receivable of ₹ 71.01 million from the SMYR Consortium LLP. The SMYR Consortium LLP financial statements are yet under audit and the management is in the process of obtaining a confirmation for this receivable.
Ind AS Consolidated Financial Statements		
Qualifications		
2017	The Ind AS Consolidated Financial Statements do not include the financial information of one joint venture, since the financial statements of this entity for the year ended March 31, 2017 are not available with our Company. Further, the financial statements of this entity for the year ended March 31, 2016 were unaudited and based on the financial information certified by the company's management. Consequently, the auditors were unable to determine whether any adjustments were necessary to the consolidated Ind AS Financial Statements as at and for the year ended March 31, 2017.	Our Company is a 25% shareholder in SMYR Consortium LLP (an associate concern established to operate a toll tax collection project at New Delhi region). The SMYR Consortium LLP financial statements have been certified by its management.
Ind AS Consolidated Financial Statements		
Matters of Emphasis		
2017	Note 44 of the consolidated financial statements deals with non-recognition of contractual obligations to pay to National Highway Authority of India ('NHAI') a sum of ₹ 28.00 million for the year ended March 31, 2017 in addition to the sum of ₹ 1,284.32 million for the period from November 1, 2014 to March 31, 2016 by one of the subsidiary companies. The approval by NHAI of the claims made by the company, based on the assessment of the Independent Engineer appointed by it, is pending and hence no provision for the unpaid amount is considered necessary.	Our Subsidiary, MEP CB, has not recognized the amount of ₹ 28.00 million for the year ended March 31, 2017 on account of claims preferred by MEP CB on account of final settlement of arbitration claims in relation to certain toll evasion and force majeure issues arising from non-compliance of the concession agreement by NHAI. The matter is currently under arbitration.
2017	Note 14(a) of the consolidated financial statements where it is mentioned that one of the subsidiary companies has lodged claims of ₹ 50.63 million (previous year: ₹ 219.75 million) with the National Highway Authority of India (NHAI) on an estimated basis and has recognized claims receivable amounting to ₹ 560.75 million for the financial year ended March 31, 2017 (previous year ₹ 510.05 million) which is disclosed under" Revenue from Operations" (note no.27) and claims receivable under " Other Current Financial Assets" (note no.14).	Our Subsidiary, RTRPL, has preferred claims NHAI on account of lesser user fees paid by Tamil Nadu State Transport Corporation, floods, delay in commencement of commercial operations date and temporary injunction on collection of toll on certain vehicles in one of the toll plazas. Further, RTRPL handed over the project to NHAI on August 25, 2016 under an amicable settlement; however, the final settlement is yet to conclude.
2017	Note 45 of the consolidated Ind AS Financial Statements which states the one of the Subsidiary companies, Raima Toll Road Private Limited has handed over the toll to the concerned Authority on August 25, 2016. Consequently, the provisions for major road maintenance	Our Company believes that there would not be any material claims made by NHAI on our Subsidiary, RTRPL and therefore no

Fiscal/ Period	Reservations / Qualifications / Remarks	Company Response
	amounting to ₹ 545.52 million (on which deferred tax amounts to ₹ 188.87 million) and the intangible assets amounting to ₹ 6,468.40 million and concession fees payable to the authority amounting to ₹ 7,502.21 million (on which deferred tax amounts to ₹ 357.80 million) recognized consequent to the transition to Ind AS up to the previous financial year have been reversed during the period ended June 30, 2016 and September 30, 2016 and have been disclosed as 'Exceptional Items' in the statement. This accounting treatment has arisen consequent to the transition to Ind AS and the opinion of the Expert Advisory Committee of the ICAI in this regard is being sought by the company. The Company's management believes that there would not be any material claims made by the authority on the subsidiary and therefore no provisions for any costs that may arise have been presently recognized. Further, the subsidiary has lodged claims with the concerned authority on an estimated basis amounting to ₹ 50.63 million for the year ended March 31, 2017 (previous year ₹ 219.75 million) which are recorded under ''Revenue from Operations'' in the statement.	provisions for any costs that may arise have been presently recognized. Further, our Company is awaiting the opinion from the expert advisory committee of the ICAI.
Indian GAAP Standalone Financial Statements		
Qualifications		
2016	The Company has outstanding receivables of ₹ 70.93 million as at March 31, 2016 from a jointly controlled entity. In the absence of a balance confirmation from the jointly controlled entity as at March 31, 2016, the auditors are unable to comment on the recoverability of the aforementioned balance and the consequential impact, if any, on the standalone financial statements.	Our Company is a 25% shareholder in SMYR Consortium LLP (an associate concern established to operate a toll tax collection project at New Delhi region) and has a receivable of ₹ 71.01 million from the SMYR Consortium LLP. The SMYR Consortium LLP financial statements are yet under audit and the management is in the process of obtaining a confirmation for this receivable.
Indian GAAP Consolidated Financial Statements		
Qualifications		
2016	As referred to in Note 2 to the consolidated financial statements and subparagraph (b) of the Other matters paragraph, the consolidated financial statements include the unaudited financial information of one jointly controlled entity, which reflects the Group's proportionate share of total assets of ₹ 27.05 million as at March 31, 2016, total revenues of ₹ 1,015.88 million and net cash inflows of ₹ 4.45 million for the year ended on that date, as considered in the consolidated financial statements, based on the financial information certified by the management. As a result, the auditors were unable to determine whether any adjustments were necessary to these amounts included in the consolidated financial statements.	Our Company is a 25% shareholder in SMYR Consortium LLP (an associate concern established to operate a toll tax collection project at New Delhi region). The SMYR Consortium LLP financial statements have been certified by its management.
Matters of Emphasis		
2016	Note 29.3 of the consolidated financial statements deals with non-recognition of contractual obligations to pay to National Highway Authority of India ('NHAI') a sum of ₹ 1,284.32 million for the year ended March 31, 2016 in addition to the sum of ₹ 3,84.65 million for the period from November 1, 2014 to March 31, 2015 by one of the subsidiary companies. The approval by NHAI of the claims made by the Company, based on the assessment of the Independent Engineer appointed by it, is pending and hence no provision for the unpaid amount is considered necessary.	Our Subsidiary, MEP CB, has not recognized the contractual obligations to pay to NHAI on account of claims preferred by MEP CB on account of final settlement of arbitration claims in relation to certain toll evasion and force majeure issues arising from non-compliance of the concession agreement by NHAI. The matter is currently under arbitration.
2016	Note 21 (a) of the consolidated financial statements where it is mentioned that one of the subsidiary companies has lodged claims of	Our Subsidiary, RTRPL, has preferred claims NHAI on account

Fiscal/ Period	Reservations / Qualifications / Remarks	Company Response
	₹ 219.75 million (previous year: ₹ 212.86 million) with the National Highway Authority of India (NHAI) on an estimated basis and has recognized claims receivable amounting to ₹ 510.05 million for the financial year ended March 31, 2016 (previous year ₹ 290.30 million) which is disclosed under" Other Operating Income" (note no.22) and claims receivable under " Other Current Assets" (note no 21).	of lesser user fees paid by Tamil Nadu State Transport Corporation, floods, delay in commencement of commercial operations date and temporary injunction on collection of toll on certain vehicles in one of the toll plazas. Further, RTRPL handed over the project to NHAI on August 25, 2016 under an amicable settlement; however, the final settlement is yet to conclude.
2016	Note 25 of the consolidated financial statements relating to payment of managerial remuneration of ₹ 12.00 million in respect of one of the subsidiary companies, which had been charged to the consolidated Statement of Profit and Loss, in the previous year in respect of which the said subsidiary had made an application to the Central Government and for which the subsidiary company got an inadequate reply. Also, in the current year, the said subsidiary company has made payment of managerial remuneration of ₹ 12.00 million, which is in excess of the limits specified in section 197 and Schedule V of the Companies Act, 2013. The subsidiary company is in the process of filing an application with Central Government for approval of managerial remuneration, for current year as well as for previous year.	RTBPL, our Subsidiary, had approached the Central Government for obtaining their approval for complying with the conditions, however, the reply was inadequate and accordingly, the remuneration was recovered from the respective director.
Indian GAAP Consolidated Financial Statements		
Matters of Emphasis		
2015	Note 28 of the consolidated financial statements relating to the payment of managerial remuneration of ₹ 12.00 million in respect of one of the subsidiary companies which has been charged to the consolidated Statement of Profit and Loss of the current year in respect of which the said subsidiary has made an application to the Central Government which is pending its approval.	RTBPL, our Subsidiary, had approached the Central Government for obtaining their approval for complying with the conditions, however, the reply was inadequate and accordingly, the remuneration was recovered from the respective director.
2015	Note 21 (a) of the consolidated financial statements where it is mentioned that one of the subsidiary companies has lodged claims of ₹ 212.86 million (previous year: ₹ 77.44 million) with the National Highways Authority of India (NHAI) on an estimated basis and has recognised claims receivable amounting to ₹ 290.30 million for the financial year ended March 31, 2015 (previous year: ₹ 77.44 million) which is disclosed under "Other income" (note no. 23) and claims receivable under "Other Current Assets" (note no 21).	Our Subsidiary, RTRPL, has preferred claims NHAI on account of lesser user fees paid by Tamil Nadu State Transport Corporation, floods, delay in commencement of commercial operations date and temporary injunction on collection of toll on certain vehicles in one of the toll plazas. Further, RTRPL handed over the project to NHAI on August 25, 2016 under an amicable settlement; however, the final settlement is yet to conclude.
2015	Note 29.3 of the consolidated financial statements dealing with non-recognition of contractual obligation to pay to National Highways Authority of India ('NHAI') a sum of ₹ 384.65 million for the period from November 1, 2014 to March 31, 2015 in respect of one of the subsidiary companies. This is considering that during the financial year ended March 31, 2015, the said subsidiary has preferred claims with NHAI aggregating ₹ 956.51 million (previous year ₹ 643.40 million) on account of Toll Evasion and force majeure issues arising from non-compliance of the Concession Agreement by NHAI. The said subsidiary has not recognised the claims as income and/or reduced the liability in the financial statements pending final approval from NHAI. However, in the 3CGM Committee meeting held on August 26, 2014, NHAI has agreed that loss of revenue as assessed by Independent Engineer ("IE") shall be adjusted to the extent of	Our Subsidiary, MEP CB, has not recognized the contractual obligations to pay to NHAI on account of claims preferred by MEP CB on account of final settlement of arbitration claims in relation to certain toll evasion and force majeure issues arising from non-compliance of the concession agreement by NHAI.

<table>
<tr><th>Fiscal/ Period</th><th>Reservations / Qualifications / Remarks</th><th>Company Response</th></tr>
<tr><td></td><td>outstanding concession fees payable to NHAI and the IE in his report dated May 18, 2015 has quantified the toll evasion at an amount which is higher than that submitted by the said subsidiary. Our opinion is not qualified in respect of the above matters.</td><td></td></tr>
<tr><td colspan="3">Companies Auditors' Report Order ("CARO")</td></tr>
<tr><td>2015</td><td>In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayments of dues to its bankers or financial institutions except for principal amount of loan due to banks ranging from ₹2.00 million to ₹374.93 million which is overdue for a period ranging from 1 day to 31 days and for interest on loan due to banks ranging from₹0.65 million to ₹6.17 million which is overdue for a period ranging from 2 days to 29 days. The amounts as mentioned above have been repaid on various dates during the year and also subsequent to the year end.</td><td>Our Company has generally been regular in depositing statutory dues. These amounts have subsequently been paid and the management has taken steps to avoid delays.</td></tr>
<tr><td>2014</td><td><u>Clause (ix)(a) of the CARO</u>

According to the information and explanations given to us and, on the basis of our examination of the records of the Company, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident fund, Employee's State Insurance, Income-tax, Wealth Tax, Sales-tax and other material statutory dues though there have been slight delays in few cases in depositing Provident Fund, Employees' State Insurance, Income-tax and Sales-tax. However, there are major delays in few cases in depositing Provident fund though the amounts involved are not material, and there were major delays in few cases in depositing Service tax and Income-tax dues where the amounts involved are material, and the said amounts have been subsequently deposited. As explained to us, the Company did not have any dues on account of Investor Education and Protection Fund. According to the information and explanations given to us, dues on account of Excise duty, Customs duty and Cess are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employee's State Insurance, Income tax, Service tax and other material statutory dues were in arrears as at March 31, 2014 for a period of more than six months from the date they became payable, except in case of the following:
<table>
<tr><th>Name of the Statute</th><th>Nature of Dues</th><th>Amount (in ₹ million)</th><th>Period to which the amount relates</th><th>Due Date</th><th>Date of Payment</th></tr>
<tr><td>Sales Tax</td><td>Value Added Tax</td><td>0.15</td><td>January 2013</td><td>Within 21 days from end of each month</td><td>September 28, 2013</td></tr>
<tr><td>The Income Tax Act, 1961</td><td>Tax Collected at Source</td><td>7.66</td><td>Assessment year 2014-15</td><td>Within 7 days from the end of the month</td><td>July 11, 2014</td></tr>
</table></td><td>Our Company has generally been regular in depositing statutory dues. These amounts have subsequently been paid and the management has taken steps to avoid delays.</td></tr>
<tr><td>2014</td><td><u>Clause (ix)(b) of the CARO</u>

According to the information and explanations given to us, there are no dues of Income-tax, Sales-tax and Wealth Tax which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us, dues on</td><td>The Tribunal decided the matters in favour of Company by dismissing the appeal filed by the Revenue vide its Order dated October 10, 2017 and hence there are no dues.</td></tr>
</table>

<table>
<tr><th>Fiscal/ Period</th><th>Reservations / Qualifications / Remarks</th><th>Company Response</th></tr>
<tr><td></td><td>account of Excise duty, Customs duty and Cess are not applicable to the Company. The particulars of dues of Service Tax as at March 31, 2014 which has not been deposited are as follows –
<table>
<tr><th>Name of the Statute</th><th>Nature of the Dues</th><th>Amount (in ₹ million)</th><th>Period to which the amount relates</th><th>Forum where dispute is pending</th></tr>
<tr><td>The Finance Act, 1944</td><td>Service tax</td><td>817.12</td><td>2007-08 to 2011-12</td><td>Customs, Excise and Service Tax Appellate Tribunal (CESTAT)</td></tr>
</table></td><td></td></tr>
<tr><td>2014</td><td><u>Clause (xi) of the CARO</u>

According to the information and explanations given to us, the Company has not defaulted in repayment of dues to its banks or to any financial institutions except for repayment of principal dues ranging from ₹ 1.91 million to ₹ 375.00 million due to the banks which was overdue for a period ranging from 1 day to 31 days. The amounts as mentioned above have been repaid on various dates during the year as well as subsequent to the date of the Balance Sheet.</td><td>Our Company has generally been regular in depositing statutory dues. These amounts have subsequently been paid and the management has taken steps to avoid delays.</td></tr>
<tr><td>2013</td><td><u>Clause (ix)(a) of the CARO</u>

According to the information and explanations given to us and, on the basis of our examination of the records of the Company, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident fund, Employee's State Insurance, Income-tax, Wealth tax, Sales-tax and other material statutory dues though there have been slight delays in few cases in depositing Provident Fund, Employees' State Insurance, Income-tax and Sales- tax dues. However, there are major delays in few cases in depositing Service tax and Works Contract tax dues though the amounts involved are not material, and the said amounts have been subsequently paid. As explained to us, the Company did not have any dues on account of Investor Education and Protection Fund. According to the information and explanations given to us, dues on account of Excise duty, Customs duty and Cess are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employee's State Insurance, Service tax, Income-tax, Wealth tax, Sales-tax and other material statutory dues were in arrears as at March 31, 2013 for a period of more than six months from the date they became payable, except in case of the following:
<table>
<tr><th>Name of the Statute</th><th>Nature of Dues</th><th>Amount (in ₹ million)</th><th>Period to which the amount relates</th><th>Due Date</th><th>Date of Payment</th></tr>
<tr><td>Sales Tax</td><td>Work Contract Tax</td><td>0.10</td><td>2012 -2013</td><td>Within 21 days from end of each month</td><td>April 22, 2013</td></tr>
<tr><td>The Income Tax Act, 1961</td><td>Interest on delayed payment of TDS</td><td>1.60</td><td>Assessment year 2012-13</td><td>Within 15 days from the service of the</td><td>September 23, 2013 and September 25, 2013</td></tr>
</table></td><td>Our Company has generally been regular in depositing statutory dues. These amounts have subsequently been paid and the management has taken steps to avoid delays.</td></tr>
</table>

Fiscal/ Period	Reservations / Qualifications / Remarks	Company Response
	notice, viz 8 June 2012	
2013	<u>Clause (xi) of the CARO</u> According to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers or to any financial institutions except for certain required prepayments of loans due to a bank ranging from ₹ 18.00 million to ₹ 239.09 million. The period of delay for the said loans ranges from 77 days to 494 days. Of the above said loans, the Company has repaid ₹ 56.52 million on various dates subsequent to the Balance Sheet date, and for the balance has mutually agreed the repayment schedule.	Our Company has generally been regular in depositing statutory dues. These amounts have subsequently been paid and the management has taken steps to avoid delays.

Significant Developments after December 31, 2017 that may affect our future Results of Operations

- On January 11, 2018, our Nagpur Package II Road Project achieved the first payment milestone of 20% of the physical progress of the project.

- Our Short Term Toll Collection Project, Brijghat in Uttar Pradesh concluded on January 17, 2018.

- Pursuant to letter dated March 8, 2018, for the Arawali Kante Road Project and the Kante Waked Road Project, the respective HAM project companies have sought extension of time for the scheduled completion date due to delays not attributable to the HAM project companies. For further details see "Risk Factors - Delays in the completion of construction of current and future projects could have adverse impact on our business, results of operations and financial condition." on page 62.

- For significant developments in relation to tax proceedings, see "Legal Proceedings" on page 236.

Except as disclosed above and in this section including under "– Significant Factors Affecting Our Results of Operations and Financial Condition" and "Our Business", to our knowledge no circumstances have arisen since December 31, 2017, that could materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

SUMMARY OF KEY DIFFERENCES BETWEEN INDIAN GAAP AND IND AS

Certain differences exist between Indian GAAP and Indian Accounting Standard (Ind AS) which might be material to the financial information herein. The matters described below summarize certain differences between Indian GAAP and Ind AS that may be material. Such comparative statement has been included for illustrative purposes only and does not imply that all such differences apply, or will apply, to the manner in which our financial statements are prepared and presented under Ind AS or otherwise. No assurance is provided that the following summary of differences between Indian GAAP and Ind AS is complete. In making an investment decision, investors must rely upon their own examination of our Company, the terms of the offering and the financial information. Potential investors should consult their own professional advisors for and understanding of the differences between Indian GAAP and Ind AS, and how those differences might affect the financial information herein.

Ind-AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
Ind-AS 1	Presentation of Financial Statements	**Other Comprehensive Income**: Statement of Other Comprehensive Income is not applicable under Indian GAAP. Some items, such as revaluation surplus, that are treated as 'other comprehensive income' under Ind-AS are recognised directly under Reserves and Surplus under Indian GAAP. There is no concept of "other comprehensive Income" under Indian GAAP.	**Other Comprehensive Income:** The statement of profit and loss and other comprehensive income includes all items of income and expense (i.e. all 'non-owner' changes in equity) including (a) components of profit or loss and (b) other comprehensive income (i.e. items of income and expense that are not recognised in profit and loss as required or permitted by other accounting standards under Ind-AS). An entity is required to present all items of income and expenses including components of other comprehensive income in a period in a single statement of profit and loss.
Ind-AS 1		**Statement of Change in Equity:** A statement of changes in equity is currently not presented. Movements in share capital, retained earnings and other reserves are to be presented in the notes to accounts.	**Statement of Change in Equity:** The statement of changes in equity includes the following information: • total comprehensive income for the period; • the effects on each component of equity of retrospective application or retrospective restatement in accordance with Ind-AS 8; and • for each component of equity, are reconciliation between the opening and closing balances, separately disclosing each change.
Ind-AS 1		**Extraordinary items:** Extraordinary items are disclosed separately in the statement of profit and loss and are included in the determination of net profit or loss for the period. Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.	**Extraordinary items:** Presentation of any items of income or expense as extraordinary is prohibited
Ind-AS 1		**Change in Accounting Policies:**	**Change in Accounting Policies:**

Ind-AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
		Under Indian GAAP, Changes in accounting policies should be made only if it is required by statute, for compliance with an Accounting Standard or for a more appropriate presentation of the financial statements on a retrospective basis together with a disclosure of the impact of the same in the current year. If a change in the accounting policy is expected to have a material effect in the later periods, the same should be appropriately disclosed.	Ind-AS-1 requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise.
Ind-AS 1		**Dividends:** Schedule III requires disclosure of proposed dividends in the notes to accounts. However, as per the requirements of AS 4, which override the provisions of Schedule III, dividends stated to be in respect of the period covered by the financial statements, which are proposed or declared after the balance sheet date but before approval of the financial statements will have to be recorded as a provision. Further, as per recent amendment in Accounting Standards 4, dividends declared subsequent to the balance sheet are to be considered as a non-adjusting event, which is similar to the Ind-AS requirement.	**Dividends:** Liability for dividends declared to holders of equity instruments are recognised in the period when declared. It is a non-adjusting event, which is an event after the reporting period that is indicative of a condition that arose after the end of the reporting period.
Ind-AS 1		**Errors:** Prior period items are included in determination of net profit or loss of the period in which the error pertaining to a prior period is discovered and are separately disclosed in the statement of profit and loss in a manner that the impact on current profit or loss can be perceived.	**Errors:** Material prior period errors are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening balance sheet.
Ind-AS 1		**Presentation of profit or loss attributable to non-controlling interests (minority interests):** Profit or loss attributable to minority interests is disclosed as deduction from the profit or loss for the period as an item of income or expense	**Presentation of profit or loss attributable to non-controlling interests (minority interests):** Profit or loss attributable to non-controlling interests and equity holders of the parent are disclosed in the statement of profit or loss and Other comprehensive income as allocations of profit or loss and total comprehensive income for the period.
Ind-AS 1	Reclassification	Under Indian GAAP, a disclosure is made in financial statements that comparative amounts have been reclassified to conform to the presentation in the current period without additional disclosures for the nature, amount and reason for reclassification.	Ind-AS requires, when comparative amounts are reclassified, the nature, amount and reason for reclassification to be disclosed
Ind AS 7	Statement of Cash Flows	Under Indian GAAP, AS is silent about inclusion of bank overdraft in cash and cash equivalents. Effect of changes in Bank	As per Ind AS 7, bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank

Ind-AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
		overdraft is included under financing activities.	overdrafts are included as a component of cash and cash equivalents.
Ind-AS 8	Accounting Policies, Changes in Accounting Estimates and Error	**Change in Accounting Policies:** Under Indian GAAP, Changes in accounting policies should be made only if it is required by statute, for compliance with an Accounting Standard or for a more appropriate presentation of the financial statements on a prospective basis together with a disclosure of the impact of the same, if material. If a change in the accounting policy is expected to have a material effect in the later periods, the same should be appropriately disclosed. However, change in depreciation method, though considered a change in accounting policy, is given retrospective effect. **Errors:** Prior period items are included in determination of net profit or loss of the period in which the error pertaining to a prior period is discovered and are separately disclosed in the statement of profit and loss in a manner that the impact on current profit or loss can be perceived.	**Change in Accounting Policies:** Ind-AS-8 requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise. **Errors:** Material prior period errors are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening balance sheet.
Ind-AS 12	Income taxes	Deferred taxes are computed for timing differences in respect of recognition of items of profit or loss	Deferred taxes are computed for all temporary differences between the accounting base and the tax base of assets and liabilities.
Ind-AS 12		Deferred tax is not recognized on unrealized intragroup profits. Deferred tax expense is an aggregation from separate financial statements of each group entity and no adjustment is made on consolidation.	Deferred tax assets/Deferred Tax Liabilities will need to be created on unrealized intragroup profit. Deferred tax on unrealized intra group profits is recognized at the buyer's rate.
Ind AS 16	Property Plant and Equipment – Reviewing Depreciation and residual value	Property, plant and equipment are not required to be componentised as per AS-10. However, companies Act require the company to adopt component accounting. The Companies Act, 2013 sets out the estimated useful lives of assets based on the nature of the asset and the useful life used for depreciation ordinarily should not differ from the useful life specifies in the Companies Act, 2013. However a different useful life may be used based on technical analysis and requires disclosure in financial statements. Further, as per recent amendment in Accounting Standards 10, the standard is made in line with the requirements Ind AS.	Property, plant and equipment are componentized and are depreciated separately. There is no concept of minimum statutory depreciation under Ind AS. Ind AS 16 mandates reviewing the method of depreciation, estimated useful life and estimated residual value of an asset at least once in a year. The effect of any change in the estimated useful and residual value shall be taken prospectively. Ind AS 101 gives option to first time adopter to either take gross value of PPE at fair value or at their carrying value as on transition date and consider them as their deemed cost.
Ind AS 19	Employee Benefits	All actuarial gains and losses are recognised immediately in the statement of profit and loss.	Actuarial gains and losses representing changes in the present value of the defined benefit obligation resulting from experience adjustment and effects of

Ind-AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
			changes in actuarial assumptions are recognised in other comprehensive income and not reclassified to profit or loss in a subsequent period.
Ind-AS 21	Effects of changes in Foreign Exchange Rates: Functional and presentation currency	Foreign currency is a currency other than the reporting currency which is the currency in which financial statements are presented. There is no concept of functional currency.	Functional currency is the currency of the primary economic environment in which the entity operates. Foreign currency is a currency other than the functional currency. Presentation currency is the currency in which the financial statements are presented.
Ind-AS 32	Classification of Equity and Financial Liabilities	Under Indian GAAP, financial instruments are classified as a liability or equity based on legal form. Redeemable preference shares will be classified as Shareholders Funds. Preference dividends are always recognized similar to equity dividends and are not treated as interest expense.	Under Ind-AS, financial instruments are classified as a liability or equity according to the substance of the contractual arrangement (and not its legal form) and the definitions of financial liabilities and equity instruments. Dividends on financial instruments classified as financial liability are recognised as an interest expense in the statement of profit or loss and other comprehensive income. Hence if preference shares meet the definition of financial liability, the dividend is treated as an interest expense.
Ind-AS 37	Provisions, Contingent Liabilities and Contingent Assets	Discounting of liabilities is not permitted and provisions are carried at their full values.	When the effect of time value of money is material, the amount of provision is the present value of the expenditure expected to be required to settle the obligation. The discount rate is a pre-tax rate that reflects the current market assessment of the time value of money and risks specific to the liability.
Ind-AS 108	Determination of Segments	Under Indian GAAP, companies are to identify two sets of segments (business and geographical), using a risks and rewards approach, with the company's system of internal financial reporting to key management personnel serving only as the starting point for the identification of such segments.	Under Ind-AS, operating segments are identified based on the financial information that is regularly reviewed by the chief operating decision-maker (CODM) in deciding how to allocate resources and in assessing performance.
Ind AS 109	Financial Assets	Financial assets are not defined in Indian GAAP and no specific guidance is provided.	All financial assets are classified as measured at amortised cost or measured at fair value through profit and loss or fair value through other comprehensive income.
	Financial Liabilities	Financial liabilities are not defined in Indian GAAP and no specific guidance is provided.	Financial liabilities held for trading are subsequently measured at fair value through profit and loss and all other financial liabilities are measured at amortised cost using the effective interest method
	Accounting of current investment	Under Indian GAAP, long term investments including trade investments are carried at cost, after providing for any diminution in value, if such diminution is	A financial asset is measured at amortized cost if it meets the following criteria:

Ind-AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
		not temporary in nature. Current investments are stated at the lower of cost and fair value.	• the asset is held to collect its contractual cash flows. • the asset's contractual cash flows represent 'solely payments of principal and interest' ('SPPI'). • Financial assets included within the amortized cost category are initially recognized at fair value and subsequently measured at amortized cost. A financial asset is measured at fair value through the Other Comprehensive Income if it fulfills the following requirements: • the objective of the business model is achieved both by collecting contractual cash flows and by selling financial assets. • the asset's contractual cash flows represent SPPI. Financial assets included within the Fair value through other comprehensive income (FVTOCI) category are initially recognized and subsequently measured at fair value. Movements in the carrying amount will be taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognized in profit and loss. Where the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss. Fair value through profit & loss (FVTPL) is the residual category. Financial assets will be classified as FVTPL if they do not meet the criteria of FVTOCI or amortized cost. Financial assets included within the FVTPL category will be measured at fair value with all changes taken through profit or loss. Regardless of the business model assessment, an entity can elect to classify a financial asset at FVTPL, if doing so, reduces or eliminates a measurement or recognition inconsistency ('accounting mismatch')

Ind-AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
Ind AS 109	Financial guarantee contract	Under Indian GAAP, the financial guarantee contracts (i.e. guarantees given on behalf of subsidiary, associate or joint venture companies) are disclosed by way of contingent liabilities in the standalone financial statements of the parent company. Guarantees given on behalf of associate and joint venture companies are disclosed by way of contingent liabilities in the consolidated financial statements of the parent company.	Ind AS 109 requires all financial guarantee contracts to be recognised at fair value at inception. The fair value of the contract will be equal to the amount of premium receivable (or net present value of the premium if the same is paid over the period) determined on an arm's length basis. Thereafter, the same is required to be carried at the amount initially recognised less the cumulative amortization of income over the period of the contract.
	Financial Instruments - Provision for doubtful debts	Under Indian GAAP, provisions are made for specific receivables based on circumstances such as. Credit default of customer or disputes with customers. An enterprise should assess the provision of doubtful debts at each period end which, in practice, is based on relevant information such as past experience, actual financial position and cash flows of the debtors. Different methods are used for making provisions for bad debts, including ageing analysis and individual assessment of recoverability.	In addition to the specific provisions under Indian GAAP, under Ind AS, at each reporting date, an entity shall assess whether the credit risk on trade receivables has increased significantly since initial recognition. When making the assessment, an entity shall use the Expected Credit Loss model to provide for a loss allowance over and above any provision for doubtful debts in the profit and loss statement. An entity shall measure expected credit losses to reflect the following: • an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; • the time value of money; and • reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.
Ind AS 110/111	Subsidiary vs. Joint Arrangements	Under Indian GAAP, a company is treated as a subsidiary company if the parent is holding more than 50% of the equity/voting rights during the year. Accordingly, the financial statements of the parent and its subsidiaries are consolidated on a line by line basis by adding together like items of assets, liabilities, income and expenses. The financial statement of Joint Venture is consolidated on a proportionate basis by adding together like items of assets, liabilities, income and expenses.	An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Accordingly, the financial statements of the parent and its subsidiaries are consolidated on a line by line basis by adding together like items of assets, liabilities, income and expenses. Joint arrangement is an arrangement in which two or more parties have joint control. Joint control is contractually agreed sharing of control of an arrangement which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Based on legal form of separate vehicle, terms of contractual agreement and other facts, joint arrangement shall be classified either into joint venture or joint operation. In case of joint venture, equity method in

Ind-AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
			accordance with Ind AS 28 is applied at the time of consolidation.
Ind AS 102	Share-based Payment	Under existing Indian GAAP, only employee related share based payments are covered by the guidance note. Further the guidance note is not a notified accounting standard and hence the accounting practices around share based payment are not consistent. Guidance note on share based payments used to provide an accounting alternative in which a Company was allowed to determine the fair value of the share on the date of the grant and if the fair value of the share and the exercise price of the share was same on the date of grant then no accounting charge was required to be recorded by the Company. This method is currently being called as intrinsic value method.	Ind-AS 102 now will require accounting for the same using the fair value method. This will essentially require the determination of the fair value of the options (as against the share in the intrinsic value method) and recording of such costs over the vesting period of such option with the employees. This method inherently assumes that every option has a value and its fair value should be accounted through statement of income.

The table above is only illustrative and is not intended to present a comprehensive list of areas which may have some implications on our Company's financial statements.

INDUSTRY OVERVIEW

*Unless noted otherwise, the information in this section is obtained or extracted from "India Infrastructure Research - Road Development in India 2018" dated January 2018 prepared and issued by India Infrastructure Publishing Private Limited" (the "**India Infrastructure Report**"). In addition, the information in this section is also obtained or extracted from various publicly available information, data and statistics derived from various government publications and industry sources, including publications of the Reserve Bank of India ("**RBI**") and reports that have been prepared by the World Bank that have the following disclaimer: "This is an adaptation of an original work by The World Bank. Views and opinions expressed in the adaptation are the sole responsibility of the author or authors of the adaptation and are not endorsed by The World Bank." Neither we nor any other person connected with the Issue have independently verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. The information in this section should be read in conjunction with the sections "Risk Factors" and "Our Business" on pages 55 and 156, respectively.*

ECONOMIC CONDITIONS IN INDIA

In South Asia, growth slowed to an estimated 6.5% in 2017, owing to temporary disruptions from adverse weather conditions across the region and, in India, businesses' adjustment to the newly introduced Goods and Services Tax ("GST"). Domestic demand continued to drive growth, with strong private consumption and a public infrastructure spending push in India while net exports subtracted slightly from GDP growth. In India, growth slowed for the fifth consecutive quarter to 5.7% (year-on-year) in the first quarter of fiscal 2018, partly reflecting adjustments by businesses to the prospective introduction of GST in July 2017. (*Source: Global Economic Prospects, January 2018: Broad-Based Upturn, but for How Long? Advance edition. Washington, DC: World Bank. License: Creative Commons Attribution CC BY 3.0 IGO*)

The Indian economy in fiscal 2017 was marked by moderate expansion and macroeconomic stability, low inflation, and improvement in current account and fiscal deficits due to negative impacts from the global slowdown and the transient impact of demonetization (*Source: RBI Annual Report 2016 - 2017*). However, India's economic activity is expected to stabilize and maintain an annual GDP growth at 7% in fiscal 2018. India's growth is projected to increase gradually to 7.4% by fiscal 2020, reinforced by a recovery in private investment, which is expected to increase due to rise in public capital expenditure and an improvement in the investment scenario partly due to the implementation of GST and the Insolvency and Bankruptcy Code, 2016 ("IBC"), and favourable measures to attract foreign direct investment. (*Source: World Bank. 2017. "Growth out of the Blue." South Asia Economic Focus (October), Washington, DC: World Bank. Doi: 10.1596/978-1-4648-1213-2. License: Creative Commons Attribution CC BY 3.0 IGO*)

India's GDP growth rebounded to 6.3% in the second quarter of fiscal 2018 from 5.7% since the first quarter of fiscal 2018 after the initial delays associated with the rollout of nationwide GST, coming on the back of demonetization. Gross value added also posted 6.1% rise in the second quarter of fiscal 2017 – 2018 from 5.6% in previous quarter. (*Source: RBI - Financial Stability Report, December 2017*). The Indian economy with a gross domestic product ("GDP") at constant (fiscal 2012) prices in fiscal 2018 is likely at attain a level of ₹ 129,850 billion, as against the provisional estimate of GDP in fiscal 2017 of ₹ 121,900 billion. The growth in GDP during fiscal 2018 is estimated at 6.5% as compared to the growth rate of 7.1% in fiscal 2017. (*Source: Press Note on First Advance Estimates of National Income 2017-2018, Central Statistics Office, Ministry of Statistics & Programme Implementation, Government of India dated January 5, 2018)*.

OVERVIEW OF ROAD NETWORK

As of December 2016, India's total road network has increased to 5.47 million kilometre ("km"), out of which national highways account for 2% of the network; while state highways account for about 3%; and major district roads (MDRs), other district roads (ODRs) and village roads together account for the remaining 95%. Further, India's road density is higher than the United States and China. Road density stands at 148 km per 100 square km as compared to 66 km per 100 square km in the United States and 39 km per 100 square km in China. National highways carry 40% of the traffic on Indian roads.

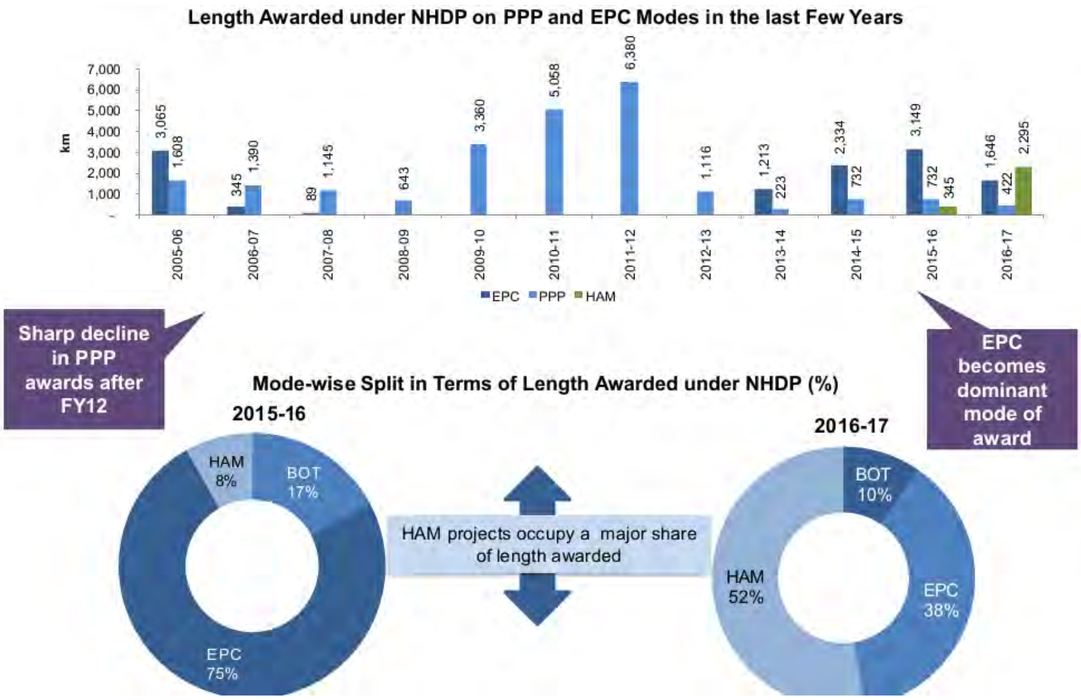
As per the latest issue of the Basic Road Statistics of India (fiscal 2014 and fiscal 2015) published by the Ministry of Road, Transport and Highway ("MoRTH") in September 2016, during 2005 to 2015, the length of national highways and the total road network in India grew at a CAGR of 4.1% and 3.7% respectively.

Overview of Project Related Activity

Award Scenario. As of December 2017, 1,355 projects spanning a length of about 44,477 km and valued at ₹ 3.87 trillion length are under implementation. On an average, the National Highway Authority of India ("NHAI") has awarded a length of 2,860 km in the last five years. As of November 2017, NHAI had invited bids for about 4,900 km of projects and bid for another 3,500 km were expected to be awarded by end of December 2017.

Completion Progress. During fiscal 2018, NHAI completed 1,566 km out of the projects under implementation till November 2017 (5,060 lane km). The average length constructed in the last five years was 2,175 km with 2,628 km constructed during fiscal 2017. During the current year NHAI is targeting to construct 3,500 km. The work on 12 new projects (covering 597 km) has already commenced and work on another 38 projects (covering 1,969 km) will commence soon.

Rise in Activity. MoRTH awarded a record length of over 16,000 km during fiscal 2017, 60% higher than the length awarded in fiscal 2016. During fiscal 2017, the completion progress was impressive in comparison to the numbers achieved in fiscal 2016. Construction rate of over 22 km per day was achieved during the last fiscal, up from 16 km per day constructed during fiscal 2016. Approximately 65% of the award and 55% of the completion targets were met during fiscal 2017. In addition, during April 2017 and June 2017, a length of 2,269 km has been constructed.



Policy framework

The Union and State Governments have streamlined and standardized the policy, legal and Institutional framework to undertake PPP projects.

Bidding Stage. Standard bidding documents, request for qualification ("RFQ") and request for proposal ("RFP") are used to bid for projects under National Highway Development Project ("NHDP"). Technical and financial capability of the bidders for pre-qualification is evaluated at the RFQ stage, and the RFP document gives the standard format for submission of financial bids by pre-qualified players (shortlisted after the RFQ stage). Since 2011, the annual pre-qualification criteria are used to shortlist developers to directly enter the RFP stage for their respective cost category and speed up the pace of awards.

Award Stage. Model Concession Agreements ("MCA") used to award projects on a BOT and HAM basis.

Investment Norms. 100% foreign direct investment ("FDI") in the construction and maintenance of, amongst others, roads, highways and tunnels through the automatic route.

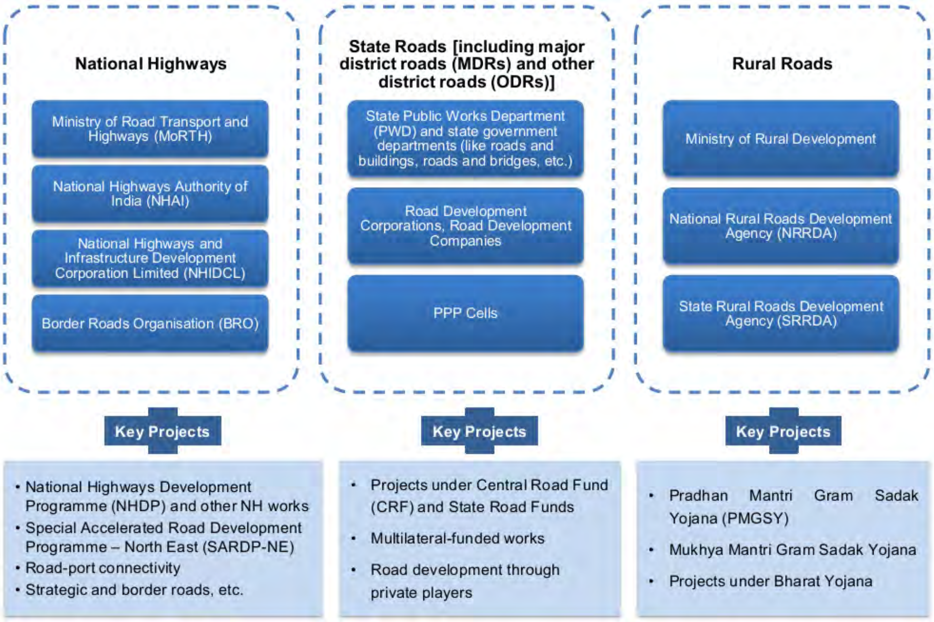
Fiscal Policies. 100% tax exemption in any 10 consecutive years within a period of 20 years after completion of construction, provided the project involves the addition of new lane.

Operations and Maintenance ("O&M"). MCA for operation, maintenance and transfer ("OMT") mode, used to award projects.

Tolling. Tolling is based on the National Highways Fee (Determination of Rates and Collection) Rules, 2008. These rules have been further amended in 2011.

In addition, recently, there have been several changes in the MCA. These include changes in the exit clause, termination of contract and rationalisation of timelines. Further, Dr. V Kelkar committee has given its recommendations to overcome the issues related to PPP framework in the country.

Institutional Framework



New Agencies Incorporated

The NHAI created a new Highway Operations Division, which will focus on all non-commercial highway operational

activities for efficient network utilisation and providing hassle-free services. The NHAI plans to set up subsidiary companies for expressways and highways to pave the way for its initial public offer by end-March 2018. Further, NHAI has decided to start an incentive scheme for its officials. The scheme not only envisages completing the projects

earlier than the scheduled time, but also aims at savings on account of cost overruns due to time delays. In order to attract investment and fund raising profile of national highways sector, NHAI has created National Highways Investment Promotion Cell ("NHIPC") which will focus on targeting investor participation focused towards global institutional investors, construction companies, developers and fund managers.

Competitive landscape

New Models Introduced				
Key Terms	**Toll-Operate Transfer**	**Hybrid Annuity Model**	**BOT – Toll**	**BOT Annuity**
Concession Period	High 30 years	High Range of 15-20 years	High Range of 15-25 years	High Range of 15-25 years
Construction Risk	No Risk Already Operational projects	Medium Risk relatively lower than BOT (Toll) project	High Construction and associated risk	High Construction and associated risk
Financing Risk	Low As projects are operational, financing can be obtained at attractive terms	Medium Financing risk relatively lower than BOT (Toll) project	High Financing would depend on the project viability	Medium Financing risk relatively lower than BOT (Toll) project
Revenue Risk / Traffic Predictability	Medium Projects with at least 2 years of operational track record	Medium Risk mitigated due to grants	High Exposed to traffic risk	No Risk Fixed Annuities from the authorities
Investor interest	High Offers a construction-risk free proposition	High Offers a good mix of annuity model with construction support	High Offers a huge potential for upside in returns	High Offers a stable returns over a high concession life

Key Sector Trends

The GoI had inherited 403 stalled projects worth ₹ 3.85 trillion. Contracts worth ₹ 500 billion have been terminated. This saved India's banking sector from non-performing assets worth ₹ 3 trillion.

Classification of Exposure to Toll Road Projects as Secured and the Scheme for Sustainable Structuring of Stressed Assets (54A). The RBI has classified lending exposure to toll road projects as secured to the extent assured by the project authority. Classification eases provisioning norms and reduces the price of debt. The Scheme for Sustainable Structuring of Stressed Assets (54A) aims at determination of the sustainable debt level for a stressed borrower, and bifurcation of the outstanding debt into sustainable debt and equity/quasi-equity instruments.

Extended Debt Tenure Matching the Long-Term Concession Period. Asset Liability Mismatch: Long-term debt funding matching the concession period through the refinancing provision (5/25 structure) without classifying the exposure as 'Restructured'.

Refinancing Eased Out for Existing Exposures. Lenders can refinance existing exposures and change repayment schedule without classifying exposure as 'Restructured' (NPV +ve). One-time provision for operational projects, having aggregate debt > $156 million, (25% of the exposure taken over by new lenders). Infrastructure bonds are excluded from CRR/SLR requirements.

Premium Deferment. Restructuring of premiums committed by concessionaire allowed. Premium deferment was ₹ 9.02 billion against ₹ 15.63 billion due in 2015¬16. Projects worth ₹ 145.71 billion stretching across 1,351 km have benefitted.

100% Equity Divestment. 100% equity divestment allowed after two years of construction completion for all Built Operate Transfer ("BOT") project. A total of seven projects have availed the scheme as of January 2018. Projects worth ₹ 28.54 billion stretching across 416 km are benefitting through the scheme.

Harmonious Substitution. Substitution of existing concessionaire permitted in PPP project. Two BOT (toll-based) projects ***worth*** ₹ 26.07 billion have benefitted from the scheme. The projects include Vijayawada-Gundugolanu and Solapur-Maharashtra /Karnataka section have been taken over by Brookfield and SREI, respectively.

One time fund infusion. Infusion by NHAI in languishing BOT projects having progress >50%.

Rationalised compensation to developers. Extension of concession period for all current BOT projects languishing due to reasons not attributable to concessionaire

Securitization in BOT projects. Concessionaires can raise subordinate debt on the strength of future surplus cash flow of operational BOT projects. As of January 2018, ten projects have availed this facility.

Financial Closures. Financial closures, especially for HAM-based projects have picked up. During May 2014 and December 2017, 23 road projects achieved financial closure. Majority of these are being implemented under the HAM.

Asset Acquisition Market. The market has seen increased involvement of both domestic and foreign players in picking up stakes in road assets. Since 2016, about 14-15 equity dilution deals have been inked by players like GMR Infrastructure Limited, HCC Limited, Sadbhav Infrastructure Project Limited, and PNC Infratech Limited.

CDR Cases. Execution delays, policy hold-ups and indebted cash-strapped promoter companies have rendered loan recovery difficult for banks. Companies like Shapoorji Pallonji, ITNL, Sadbhav Infrastructure Project Limited, Ashoka Buildcon Limited have refinanced debt. Recently, Supreme Infrastructure received the nod to restructure its ₹ 24.1 billion debt raised from a State Bank of India-led consortium under the Scheme for Sustainable Structuring of Stressed Assets (54A).

MoRTH's Masala Bond Issuance. The ₹ 30 billion issue which was listed on the London Stock Exchange attracted an overwhelming response from investors from across the spectrum with Asia contributing 60% of the subscription and the balance 40% coming from Europe. Besides, the NHAI raised a sum of ₹ 5.02 billion through the issuance of debt securities on the Bombay Stock Exchange's (BSE) electronic book mechanism platform. The issue was oversubscribed by over 10 times.

New Models Introduced

- *Toll-operate-Transfer.* The toll-operate-transfer ("TOT") model aimed at augmenting the NHAI's monetary resources. In August 2016, the Cabinet Committee on Economic Affairs ("CCEA") authorised NHAI to monetise public-funded national highway projects. Initially, 75 operational projects have been preliminarily identified under the model. The NHAI had put up nine projects for bidding under the first bundle. The last date for bid submission has been recently extended from January 9, 2018 to February 8, 2018. The move is expected to provide an efficient O&M framework requiring reduced involvement of the NHAI in projects post construction completion. It will also create business opportunities for a new vertical of developers who specialise in O&M of highways, and long-term investors which is averse to taking construction risks but are adequately equipped for making long-term investments in road infrastructure.

- *Hybrid Annuity Model.* In January 2016, the CCEA accorded approval for the HAM to be considered as one of the modes for implementing highway projects. Adopting this model for those projects that are not found to be viable in the build-operate-transfer (BOT) (toll) mode will aid in maximising the road length constructed.

Other recent developments

- *Wayside amenities.* The NHAI has started the process of developing wayside amenities at land acquired at 183 locations alongside the National Highways and has called for private participation for the same. The amenities will provide rest and refreshment for highway commuters during the journey.

- *Bhoomi Rashi.* In its attempt to move towards e-governance and avoid delays, the MoRTH developed a web utility for land acquisition related processes including gazette notification. The web utility would be linked with the e-gazette platform for the Ministry of Urban development, for e-publication of land acquisition related gazette notifications.

Key Hurdles

Land Acquisition. Delayed acquisition of land has derailed project implementation since a long time. The key reason is resistance from local communities due to the difference between the value offered and the market value. To streamline the process of land acquisition, the GoI introduced the New Land Acquisition Bill; however, it is yet to be passed by the Parliament.

Funding. There is a need for long-term financing from foreign pension and wealth funds, as well as regulatory and contracting policy in place for the same. Lenders are faced with huge non-performing assets. Several big industry players have either opted for debt restructuring or have resorted to selling operational road assets to maintain the fund balance.

Project Planning and Bidding. Projects are selected on the basis of reasons other than socio-economic benefits. The GoI needs to take steps, such as, streamlining the bid pipeline, changing the selection criteria and introducing stringent qualification norms linked to past performance.

Tolling-related Challenges. Exemptions have a huge negative impact on the concessionaires. Further, falling wholesale price index has prevented developers from revising toll rates. There have been rising instances of protest against toll. For instance, the last two years have witnessed a number of changes in the tolling polices of states, such as, Maharashtra and Haryana.

Other Challenges. Traffic projections have become more challenging for shareholders due to, amongst others, lack of coordination between NHAI's head office and project implementation units ("PIUs"), shifting of utilities continue to be a major challenge, ban on mining activities has affected availability of aggregates in few states, slow and lengthy arbitration process and poor quality of feasibility reports.

Key Policy Developments in 2017

- The MoRTH proposed to give a bonus of up to 10%of the total project cost to firms that construct and deliver highway projects a year before the deadline. The GoI is also considering incentivizing the early completion of highway projects through NHAI and National Highways and Infrastructure Development Corporation Limited ("NHIDCL").

- The Transport for London ("TFL") and the MoRTH agreed to sign a memorandum of understanding on bilateral cooperation in urban transport policy planning, technology transfer and institutional organisation of transport.

- The Indian and Morocco governments have signed several agreements for bilateral cooperation in road transport, water resources and the marine sector.

- The MoRTH classified the details of land in more than 0.64 million revenue villages spread across 668 districts on a portal named "Bhoomiraashi" or compensation for land acquisition.

- The Ministry of Defence has approved the delegation of more administrative and financial powers to the Border Roads Organisation in order to avoid delays in project implementation.

- The NHAI created a new highway operations division, which will focus on all non-commercial highway operational activities for efficient network utilisation and providing hassle-free services.

- The NHAI launched a new website to allow the general public to rate national highways, as well as a project monitoring information system mobile application, which will facilitate the in-house monitoring of NHAI projects through mobile phones.

- The MoRTH plans to implement a value engineering programme for promoting new technologies, materials and equipment in highway projects executed under either the public-private partnership mode or the public funding mode. The objective is to reduce the construction cost, enhance speeds of construction, increase asset durability and improve aesthetics and safety.

- The NHAI, in order to expedite implementation of projects, especially the Bharatmala Pariyojana, has introduced an incentive scheme for its officials. The scheme not only envisages completing the projects earlier than the scheduled time, but also aims at savings on account of cost overruns due to time delays.

- The Central Road Fund (Amendment) Bill, 2017 was passed by the Lok Sabha on December 19, 2017. The bill seeks to amend the Central Road Fund Act, 2000, through which the cess levied and collected on high speed petrol and diesel is distributed for the development of rural roads, national highways, railways, state roads and border area roads. The present bill seeks to allocate 2.5% of the Central Road Fund ("CRF") generated to accelerate the development and maintenance of national waterways by reducing an equal percentage from the share of national highways. This would generate approximately ₹ 23 billion revenue for national waterways.

Union Budget 2018-2019

The GoI has allocated funds amounting to ₹ 710 billion to the MoRTH under the Union Budget 2018-2019, an increase of 9.39% over ₹ 649 billion allocated during fiscal 2018. For the transportation sector as a whole, including rail, roads, shipping, a provision of ₹ 1.28 trillion has been made for fiscal 2019. The allocation for central sector schemes/projects stood at ₹ 708.73 billion, marking an increase of 9.42% over ₹ 647.71 billion in the previous fiscal. Of these allocations, the NHAI has been allocated ₹ 296.63 billion (an increase of 24.16% over the previous year) while ₹ 408.95 billion has been allocated for road and bridge works (an increase of 0.65% over the previous year). In addition to these, funds amounting to ₹ 3.15 billion have been allocated for road transport and safety, an increase of 26% over ₹ 2.5 billion allocated in the previous year.

Course correction: Through Structural and Policy Reforms

National highway projects covering about 34,000 km were awarded between fiscal 2015 and fiscal 2017, almost double the length awarded in the preceding three fiscals. Around 20,000 km of national highways have been constructed since fiscal 2015. The current construction rate of national highways is about 18 km per day. The launch of innovative implementation models such as hybrid annuity has contributed significantly to the increase in activity. Expressway development has also gained momentum with 10 expressway projects at various stages of implementation. NHIDCL is currently involved in the implementation of 179 projects covering about 10,000 km. Initiatives such as amendments to the MCA, one-time fund infusion, exit policy, premium deferment, rationalised compensation to developers, and securitisation of cash flow in BOT projects have benefited shareholders. As a result, the implementation of approximately 90% of languishing projects is on track.

Future Outlook

The MoRTH targets the construction of about 15,000 km of national highways during fiscal 2018. Plans are also in place to award 50,000 km of projects worth approximately ₹ 5-6 trillion in the next two years. Mega projects such as Bharat Mala, Setu Bharatam and Char Dham Connectivity, and the development of economic corridors are likely to provide significant opportunities in the sector. The GoI has also identified 2,000 km of coastal roads to improve connectivity between ports and remote villages. NHAI has taken steps towards acquiring land before awarding projects and digitising land acquisition, which is likely to result in faster award and execution of projects in the future. There is also a need for a more effective dispute resolution mechanism, proper project development and preparation, and a more balanced risk allocation to ensure timely infrastructure creation.

PROJECT PIPELINE

National Highways

The national highways segment offers a pipeline of 236 projects, spread across approximately 16,060 km. These projects are either under bidding or in the pipeline (announced/planned/proposed). Pipeline also includes projects which are currently in the feasibility/DPR stage.

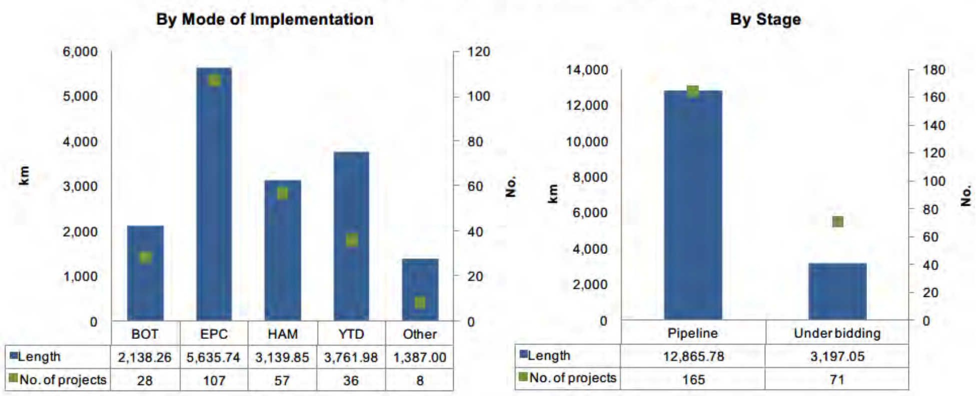
Mode-wise Break-up of Opportunity in National Highways Segment

Mode	Length (km)	No. of projects
BOT	2,138	28
EPC	5,636	107
HAM	3,140	57
Not yet decided	5,149	44
Total	**16,062**	**236**

Quantifying the Northeastern Opportunities- Till 2020

Investment of Rs 1,300 billion	Road length of 10,000 km	Tunnels covering 100 km	Construction of 2,000 bridges

Snapshot of National Highway Upcoming Projects



State Highways

There are 645 projects in the state road segment which mostly entail widening/strengthening/construction of state highways and roads, development of greenfield expressways, bypasses and underpasses, and construction of ring roads and link roads. These include projects which are under construction, under bidding or have been announced and are at the feasibility/DPR preparation stage.

Current Project Pipeline – By Status

Status	No. of projects	Length (km)	Cost (Rs billion)
Announced	462	31,993	2,694
Under bidding	30	2,312	773
Under implementation	181	9,834	1,089
Total	**673**	**44,139**	**4,556**

Note: Under implementation projects include under construction and awarded projects

Current Project Pipeline – By Mode

Mode	No. of projects	Length (km)	Cost (Rs billion)
EPC	360	21,471	2,814
HAM	7	2,094	NA
Not available	115	9,444	110
BOT	191	11,130	1,632
Total	**673**	**44,139**	**4556**

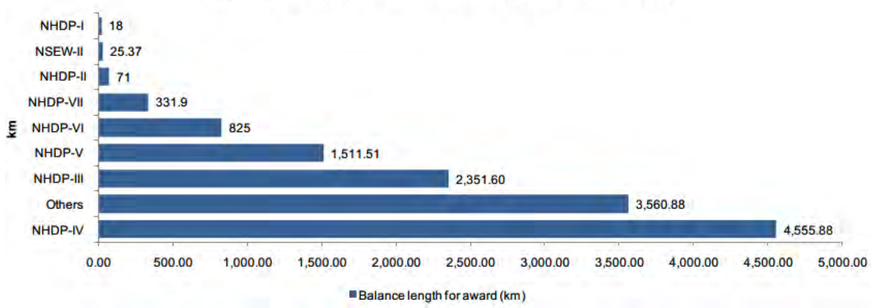
Investment Requirement

The key funding sources include (i) gross budgetary support, (ii) central road fund, (iii) Toll remittance, (iv) external borrowings by NHAI, (v) monetization of highways through TOT, and (vi) private investment. The MoRTH has estimated an investment requirement of about ₹ 7 trillion for the development of national highways in India during the next five years. During fiscal 2018, the GoI has set a completion target of 15,000 km. As of January 2018, about 2,300 km of national highways has been constructed increasing the rate of construction to about 25 km per day. The GoI plans to further scale this up to 40 km per day. Further, the GoI aims to increase the length of national highways to 200,000 km and carry about 80% of the total traffic. It is estimated that 83,677 kms roads are to be constructed which would require ₹ 6.92 trillion to be invested and 142 million man days.

Opportunity under NHDP

In total, there are about 13,000 km yet to be awarded under the NHDP as of November 2017. The maximum opportunity exists under Phase IV. Phase VI also offers huge opportunity and bids have been invited for development of the Vadodara-Mumbai expressway. Meanwhile, the NHAI has also floated consultancy bids for the Delhi-Ludhiana-Amritsar-Katra expressway and the Delhi-Yamunanagar Expressway.

Length Yet to Be Awarded under NHDP (as of November 2017)



Project Awards and Completion Targets

The MoRTH had announced a target highway construction pace of 41 km/day by May 27, 2017. The MoRTH aims to award a total of 25,000 km of national highway projects in the current fiscal and aims to complete construction of about 15,000 km national highways during fiscal 2018. However, the current scenario makes the achievement of these targets difficult.

Opportunity by Stakeholder

Both the national and the state highways segments will offer a wide range of opportunities across the value chain. The GoI as well as the State governments have identified a beneficial pipeline.

Contractors. The maximum opportunity in the road sector currently exists for EPC contractors. The state highways segment will put forth an opportunity worth ₹ 2.7 trillion (based on cost estimates of 673 projects). This does not include opportunity under the upcoming government programmes.

Developers. 65 projects are expected to be implemented on a PPP/HAM basis thus highlighting an opportunity for private players in the national highways segment. At the state level, of the total 320 projects that form the PPP project portfolio, there are 139 projects that are under bidding or have been announced. Together, these entail an investment of ₹ 1,387 billion.

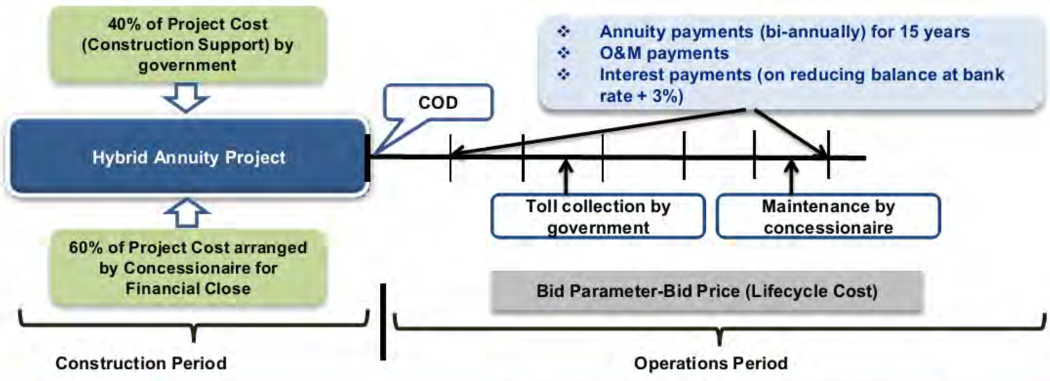
Material and Equipment Suppliers. Cement and steel markets will see an increased demand. Cement procurement will increase; especially in national-level projects due to the government impetus on construction using concrete and the easing of processes through the online market place 'INFRACON'.

Financiers. In the national highways segment, there are at least 57 HAM-based projects, which offer an investment opportunity for lenders and financial investors. At the state level, the debt and equity opportunity amounts to ₹ 971 billion and ₹ 416 billion, respectively. In addition, the TOT opportunity is also of interest to long-term investors like pension funds and sovereign wealth funds and private equity investors.

IMPLEMENTATION MODELS

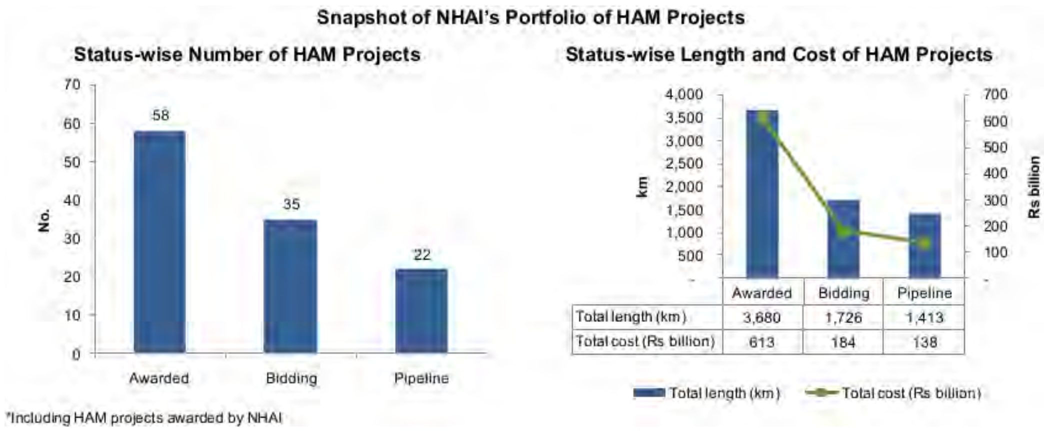
Hybrid Annuity Models ("HAM")

Key Features

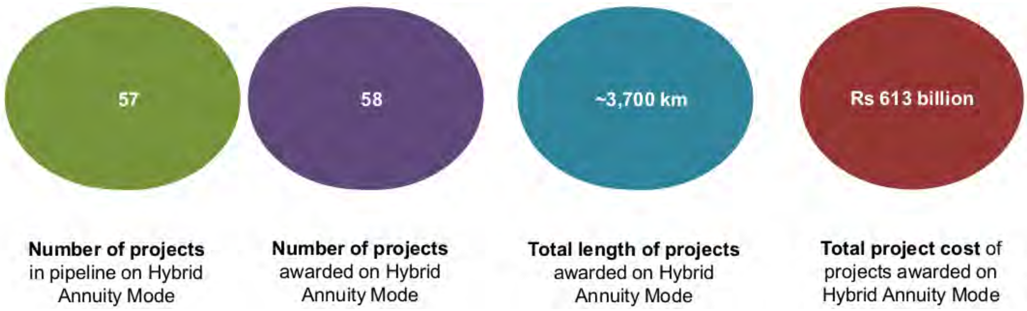


Bid Evaluation	Capital Support	Cost Recovery	Termination	Status
Based on life cycle cost	• 40% of the bid project cost provided by the authority to the concessionaire during the construction period in the form of construction support • Construction support to be disbursed in 5 equal instalments • Payments are inflation indexed	• Recovery of 60% of project cost through bi-annual annuity payments and separate market-linked interest payment on reducing balance method • Provisions for separate O&M payments	Termination during construction period to ensure lender interest	**Approved** in 2016

The HAM model has become popular and successful primarily due to the GoI's proactive stance in obtaining all the clearances before project award. Apart from land acquisition, the MoRTH secures environment and forest clearances as well as all other requisite clearances under this mode of project implementation. During the fiscal 2016, 2017 and 2018 (till October 2017), 58 national highway projects covering an aggregate length of approximately 3,700 km and costing approximately ₹ 613 billion have been already awarded under HAM. Also, many more projects are at matured stages of bidding. Between January 2016 and December 2017, nine HAM-based projects achieved financial closure.



NHAI's HAM Portfolio



Bidding Scenario

HAM projects overtake BOT concessions

In fiscal 2017, HAM projects were awarded for a stretch of 2,434 km while pure PPP/BOT projects accounted for only about 422 km. In the current year, the GoI plans to award 4,000 km of roads through the PPP route, of which a majority of the length (around 3,000 km) is proposed to be awarded as HAM projects. To make the model further attractive, the GoI has permitted NHAI to disburse its contribution in the early stages of construction rather than in the later stages as was originally proposed.

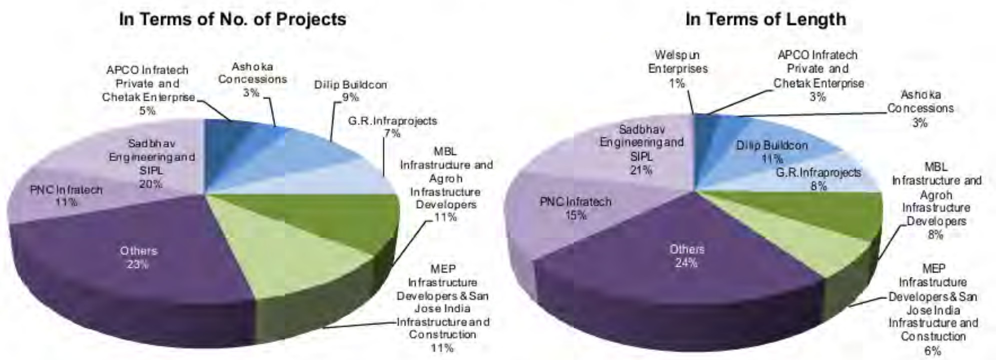
Recent Bidding Scenario in the HAM Segment

Project	No. of bidders	Variation between original TPC and winning bid
Delhi-Meerut expressway (Package I)	2	27%
Meerut-Bulandshahr	4	28%
Rampur-Kathgodam	4	20%
Shimla-Solan bypass	4	29%
Lucknow-Sultanpur	7	21%
Udaipur bypass (Package IV)	8	24%
BRT Tiger Reserve Boundary to Bengaluru	3	26%
Dausa-Lalsot-Kathaun	10	28%
Delhi-Meerut expressway (Package II)	2	51%

Note: These are projects which have been awarded in fiscal 2017 and have reported a variation of over 20%.

Key Players

HAM Market Share

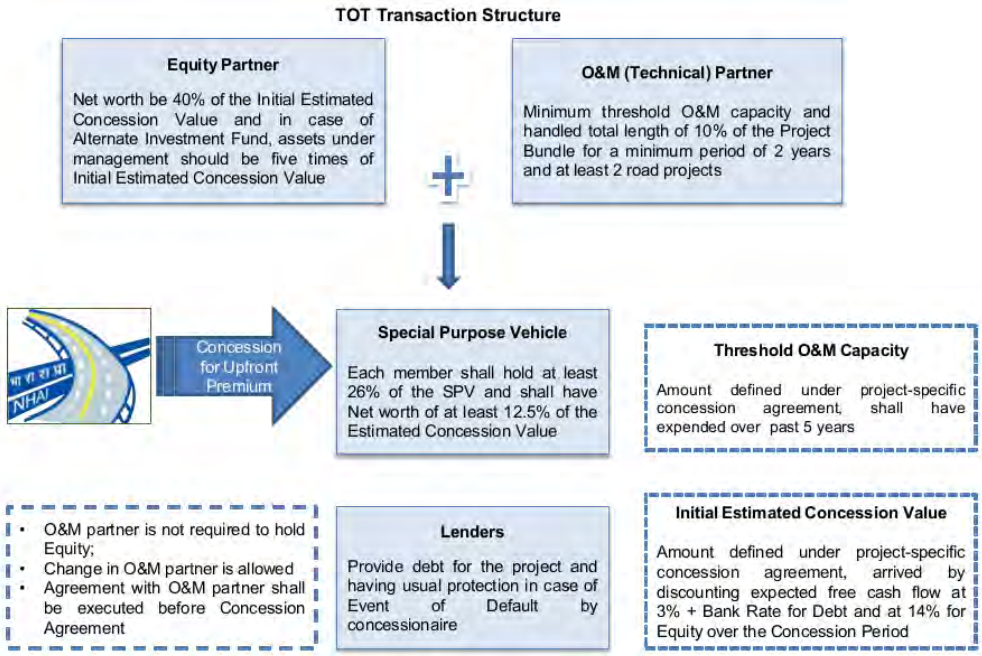


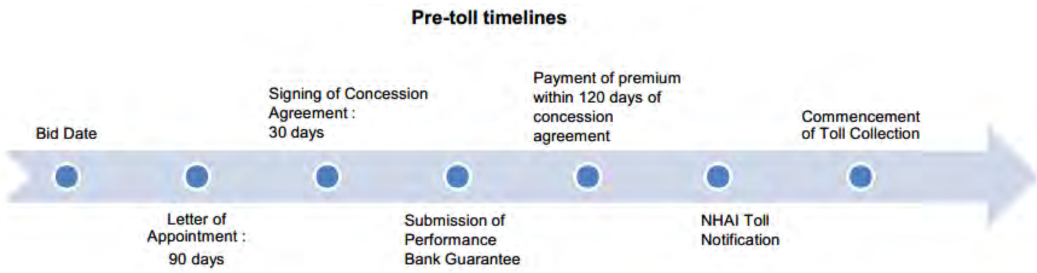
Key Challenges and Future Outlook

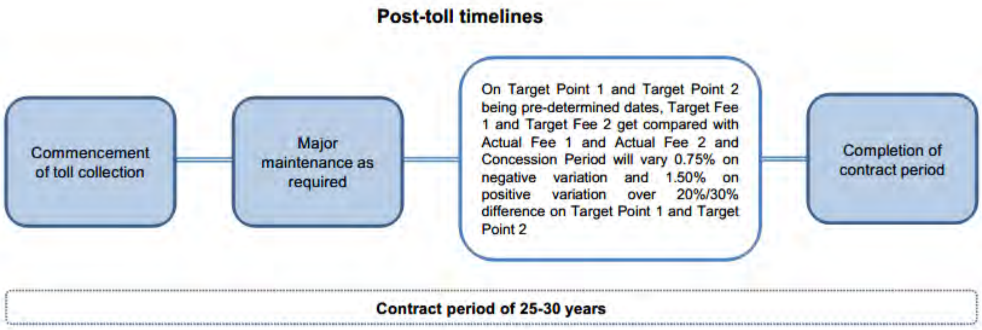
HAM projects have not seen aggressive bidding thus far. However, a number of projects awarded under HAM have achieved financial closure. The NHAI plans to award 105 projects in fiscal 2018, covering a total length of 6,502 km. HAM projects will replace the pure BOT contracts. Of the eight projects for which the mode of implementation is known, three projects will be awarded under EPC while five projects will be implemented under HAM, reflective of the importance being laid on HAM. The mid-sized companies with strong order book position are key for HAM. However, the HAM model might not be preferred by pure-play developers, but should interest the contractors since it takes off the revenue risk completely. Apart from a robust national highway pipeline, states such as Madhya Pradesh also have created a shelf of HAM-based projects.

Toll-Operate-Transfer (“TOT”)

Key Features







Current Status

First TOT bundle. Under the first TOT bundle, nine operational highway projects worth approximately ₹ 62.5 billion have been put on the block which includes three projects in Gujarat (approximately 240 km) and six projects in Andhra Pradesh (442 km). The NHAI has extended the last date for submission of bids for the first tranche of road projects under the TOT model from January 9, 2018 to February 8, 2018. This move comes on account of apprehensions shown by bidders regarding the physical condition of the selected highway projects.

Proposal to tweak the model. The NHAI has also decided to tweak the model to provide bidders with more options and a level playing field. Accordingly, the NHAI is planning to experiment with options such as reducing the concession period from 30 years to 20 years. Even though, the first round of bidding will follow the existing modalities, the second and third bidding rounds, to be conducted in the last quarter of fiscal 2018, will be based on the new options. However, these proposed changes require the approval of the Cabinet Committee on Economic Affairs.

Industry Response. The model has been well received by majority of the industry shareholders and has also been successful in attracting the interest of global players such as the Abu Dhabi Investment Authority, Canadian Pension Plan and Investment Board, Macquarie Group, Temasek Holdings Private Limited, and other institutional investors from Europe and Asia. The Indian banks and other lenders plan to invest in the form of a consortium with the minimum requirement being approximately ₹ 50 billion - ₹ 60 billion per package is required.

Bidding Strategy

The NHAI shall adopt a two-stage process for selection of bidder for work award comprising pre-qualification/empanelment stage and financial e-bid.

- Empanelment Stage: The empanelment stage is aimed at evaluating and deciding the eligibility of the bidder. During this stage, the applicants would be required to furnish all information specified herein. At the end of this stage, the NHAI intends to announce a list of prequalified/empanelled bidders, which will be updated on yearly basis and hosted on the website of NHAI.

- Financial e-Bid Stage: The NHAI shall invite financial e-Bids for a specific national highway stretch work through an invitation on the website of NHAI or through e-mails to the empanelled agencies. Only the latter agencies shall be eligible to submit their financial e-bids in electronic form.

The Bidder may be a single entity or a group of entities (consortium). However, no Bidder applying individually or as a member of a consortium, can be a member of another bidder.

Criteria for Qualification

- Technical Qualification- To be considered as qualified bidder, the entity either itself or through its O&M partner, shall have expended a minimum of 40% of the total estimated O&M cost of the project bundle as O&M cost over the past five years and should have handled as an O&M contractor, a minimum number of road projects, each of at least 5% of total length of the project bundle.

- Financial Qualification - The financial qualification criteria shall be based (i) net worth - 40% of the Initial Estimated Concession Value ("IECV") of the authority or (ii) asset under management should be five times the IECV of authority at the close of the preceding financial year.

Future Outlook

In light of the GoI's plans of increasing the national highway network to approximately 200,000 km in the next few years, the timing of TOT model introduction seems appropriate. The TOT model is likely to generate funds of approximately ₹ 400 billion for the GoI.

Build-Operate-Transfer ("BOT")

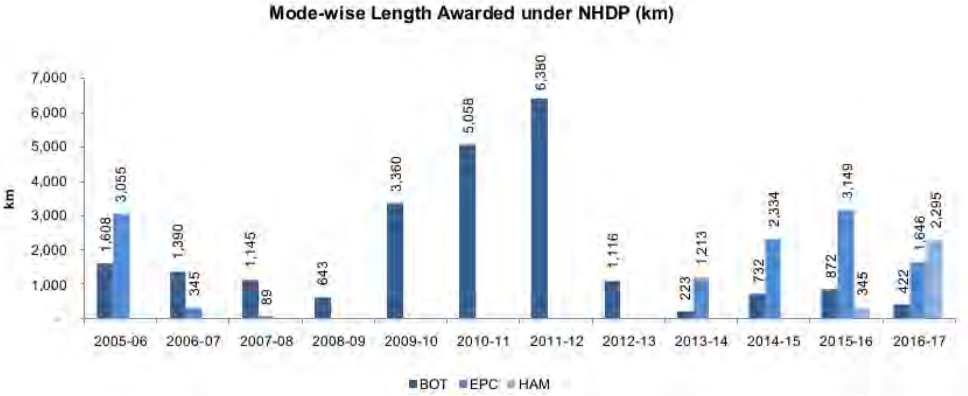
The BOT model has seen a mixed level of activity in the last four to five years due to weak financial position of players, delays in project clearances and low estimated traffic density for many stretches on offer, BOT projects in the roads sector have hit an obstruction and severely broken the pace of development of road infrastructure in India. The investment environment in the road sector is not very hopeful at present. The interest of private players is mostly restrained due to the several challenges that developers continue to face. The BOT mode was adopted by the NHAI in 2005-06 and the BOT mode heavily dominated the project award mix until fiscal 2013. However, after fiscal 2013, the MoRTH decided to switch back to the EPC mode. Projects awarded in fiscal 2012 faced delays in achieving financial closure as many players had bid aggressively by quoting a huge premium amount, based on highly optimistic road traffic density estimates that have not subsequently fructified. These aggressive bids lowered the viability of these projects.

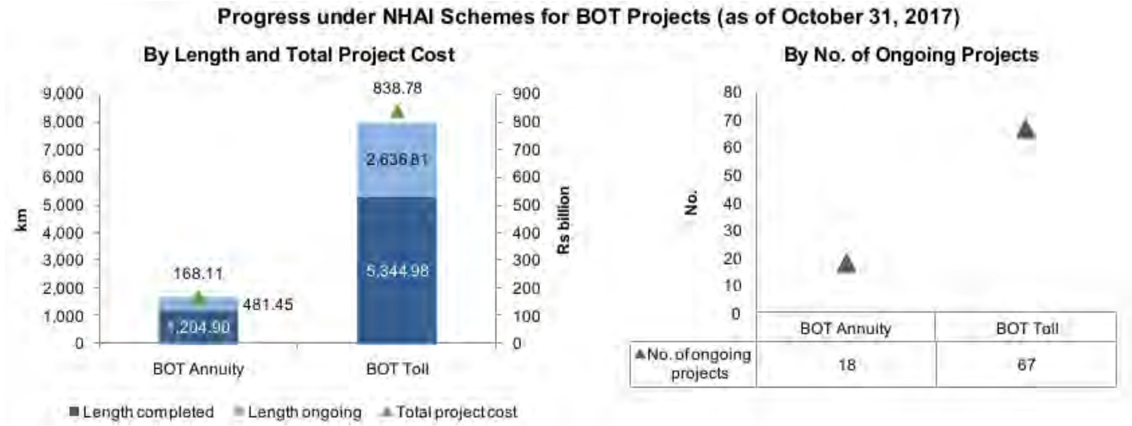
Most of the BOT players are companies which have evolved from EPC contractors into BOT concessionaires by virtue of their experience in constructing large road projects. However, these companies had either no knowledge or very basic knowledge of the tolling business, thereby affecting toll revenues. Aggressive bidding and tolling revenue risks suffered due to which developers' started refraining from bidding for additional BOT projects. Financing has been a major concern, especially with regard to availability of equity and it has been difficult to achieve financial closure of projects.

Until recently, lenders have been apprehensive of financing road projects. With stressed balance sheets and a high number of NPAs, they are inclined more towards recourse loans. However, developers are still wary of recourse financing. The comparatively lower response to PPP mode in the recent past is due to economic reasons, non-availability of equity with the concessionaires and other construction, land acquisition and regulatory clearances related issues. Moreover, negative wholesale price index ("WPI") has impacted the financial viability of BOT projects since toll rates are linked to the WPI.

Project Award and Completion

PPP awards declined sharply from a high of 6,380 km in fiscal 2012 to 223 km in fiscal 2014. Adverse market conditions led to the revival of the EPC mode. In fiscal 2016, the BOT segment occupied a very small percentage of the overall market for national highway projects. Most of the projects awarded in the last two fiscal years are yet to tie up funds.





Re-award of Languishing Projects

A large number of projects were delayed for a long time due to asymmetric risk allocation, regulatory hurdles, and an overall bleak economic sentiment. Several measures were announced to resolve the impending issues pertaining to environmental clearances, land acquisition, financial constraints, and stretched balance sheets of developers. Nearly all the projects awarded amidst an aggressive bidding scenario during fiscal 2012 failed to move forward due to pre-construction, regulatory and financial hurdles. The NHAI has terminated/foreclosed close to 67 contracts after 2012. Recently, the NHAI came out with a list of 20 terminated contracts, which was later withdrawn by NHAI after receiving criticism from various shareholders.

As of October 2017, the NHAI had re-awarded 13 contracts which were terminated between 2012 and 2017. These projects are being implemented under Phases III, IV and V and the East-West Corridor and span a length of approximately 1,580 km. Majority of these contracts were re-awarded between May to September 2015. Three contracts were re-awarded in 2017. With regard to foreclosed contracts, NHAI has re-awarded 10 projects covering a length of approximately 1,080 km. However, 44 terminated/foreclosed contracts are yet to be re-awarded.

Key Concerns

Land acquisition, RoW, and securing regulatory clearances have been recurrent issues in the sector with certain unforeseen issues such as exemption of vehicles, delayed payments of annuity, and litigation are also being faced by the lenders. Operational bottlenecks continue to obstruct project viability. Technological advancements have allowed vehicles to use multiple axles rather than the earlier two or three axles. While this has significantly increased the carrying capacity of vehicles, it has also led to a fall in the absolute number of vehicles required. Therefore, toll revenues have suffered. Further, developers have also seen an increase in the number of toll exemptions given to vehicles. Unanticipated changes in the nature of traffic have also impacted traffic estimates for older projects.

Further, given the large amount of investments being made in road projects, dispute resolution mechanisms need to be strengthened further. The quality of detailed project reports also needs to be improved. Currently, if developers fail to collect adequate revenues, even though due diligence is exercised, the MoRTH provides an extension of the concession period.

However, the extension simply defers the revenue collection beyond the existing concession period. Until that time, developers continue to face losses. Therefore, some mechanism is required to enable immediate compensation for revenue losses.

Future Outlook

The outlook for the PPP model is optimistic and is expected to be taken up on a greater scale. However, PPP financing, most of which has come primarily from banks till now, needs a different approach. There is a need to for more sources, amidst their current financial standing, affected by sectoral limits, bad debt and Basel III norms. Institutions such as IIFCL, have a greater role to play and with regard to emerging sources, such as, masala bonds, InvITs, NIIF, and IDFs are hopeful and products such as credit enhancement will also aid significantly. Since the government is focusing increasingly on HAM projects, developers are keen on having more BOT projects rolled out. As a result, players such as GR Infraprojects, IVRCL, KMC Infrastructure, and BSCPL Infrastructure have offloaded stakes in BOT projects during the year. The fact that these projects are finding takers in the form of private equity firms and pension funds is furthering asset sales, which is expected to rise in the future.

Developers have welcomed some positive measures such as the introduction of an exit policy and a one-time fund infusion by the NHAI. These measures have not only made it easier to release equity investments in projects, but have also revived some previously stalled projects. In addition, while sharing of risk is a key aspect, deliberations must be made to mitigate the same. Also, 'renegotiation' must be worked out to implement long-term contracts efficiently. Greater coordination and cooperation among developers, lenders and authorities is required.

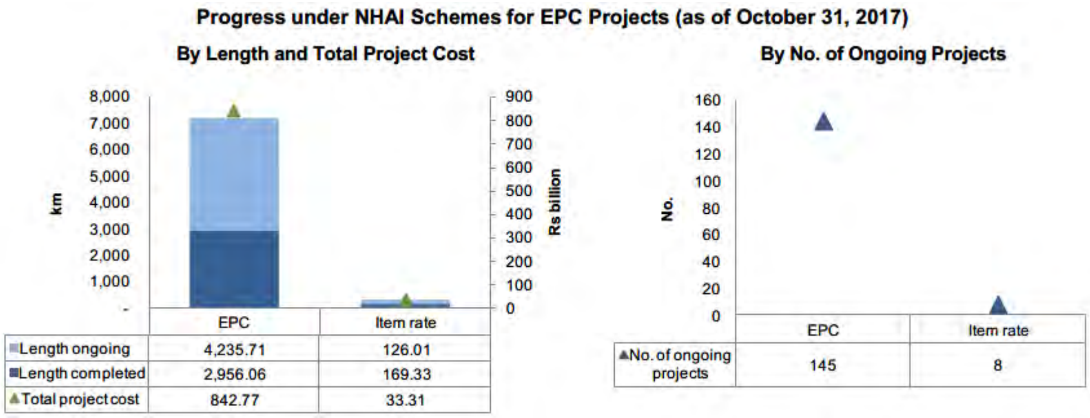
Engineering, Procurement and Construction ("EPC")

Prior to 2005, EPC was the default mode of award under the NHDP. Thereafter, PPP emerged as the preferred mode of award and this continued in the roads sector until fiscal 2013. In fiscal 2013, PPP projects failed due to aggressive bidding which led to the return of EPC mode and the introduction of a modified EPC model. A larger number of projects were awarded during fiscal 2016 and since then the EPC has been the preferred mode of project awards, with the market share ranging between 70% to 85%. EPC is still in its beginning phase as far as NHAI projects are concerned. While the GoI has taken concrete steps to resolve land acquisition-related concerns, the impact has not been considerable. The key issues faced by the contractors include misalignment of cash flows with the working capital requirement, obtaining approvals for corporate debt restructuring, inadequate time for project preparation for completing pre-construction activities. Road developers, which until recently focused on the projects that required them to invest heavily and bear major risks over long periods, have shifted focus to an asset-light model. Weak financial position of developers has pushed them to monetise their operational BOT road assets and focus on the EPC business. The contractors believe that unless cash flows improve, projects are going to suffer and get delayed.

Project Award and Completion

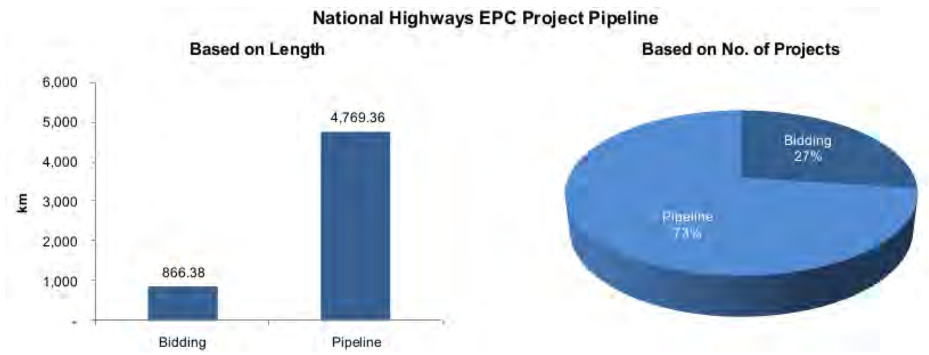
Between 2006-07 and 2007-08, the share of EPC projects in the total length of projects awarded declined from about 24% to about 8%. EPC was almost absent from the market between fiscal 2009 and fiscal 2013. However, since fiscal 2014, NHAI's dependence on EPC mode for road projects has increased. In fiscal 2014, around 85% of the projects were awarded on an EPC basis. Meanwhile, during fiscal 2015 and fiscal 2016, 76% and 72% of the projects were awarded on an EPC basis by the NHAI, respectively. In fiscal 2017, the trend declined with 38% of the projects being awarded on EPC mode, due to the sharp pickup in project award on HAM during the year. In terms of project award *vis-à-vis* the targets set by NHAI, there has been substantial improvement. In fiscal 2016, the actual awards of EPC projects exceeded the target as per NHAI's work plan. Further, the NHAI has met about 74% of the EPC award target during fiscal 2017. Going forward, there is expected to be a robust mix of both EPC and HAM project awards by NHAI.

During the year fiscal 2017, of the awarded length of 1,646.61 km, NHAI was able to complete 551.26 km (33%) on EPC mode. The EPC mode constituted a share of 29% in the total length completed by NHAI during fiscal 2017 on both EPC and PPP modes. As of October 2017, of the total length of 7,192 km under various NHAI schemes, the authority has been able to complete 2,956 km on EPC mode, while majority of the length (59%) is currently under implementation.



Project Pipeline

There are approximately 107 upcoming projects, which are expected to be implemented on an EPC basis which cover a total length of approximately 5,630 km. These are projects for which the mode of implementation is available. Majority of the projects (around 73%) are in the pipeline (announced/planned/proposed). Projects which are currently in the feasibility stage/DPR stage have also been included in the pipeline. Meanwhile, 27% of the projects (29 projects) are under bidding.

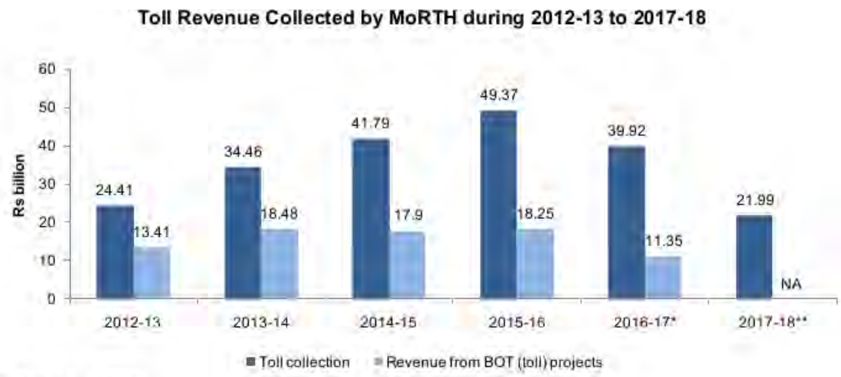


Operate, Maintain and Transfer ("OMT")

Initially, while most projects were getting very low bids, even lower than the threshold estimated by NHAI, some others did not get any interest. This was primarily on account of doubts and concerns over the accuracy of traffic projections and the resulting impact on revenue collection. Besides, the returns that NHAI was offering to OMT contractors were not sufficient to cover their risks adequately. However, post the approval of OMT policy and MCA for OMT projects by the GoI, the focus on OMT revived, along with the entry of specialised players in the market. Owing to the GoI's efforts to promote this segment, the overall market sentiment seems optimistic. Besides NHAI, a few states such as Madhya Pradesh, Karnataka and Maharashtra have outsourced the O&M and tolling activities to private players.

Current Scenario

In the past few years, OMT has emerged as a distinct industry owing to the fact that both the NHAI and private developers/investors are looking to outsource, leading to the entry of specialised OMT players. However, the pace of project awards has slowed down. 20 projects have been awarded by NHAI under OMT covering approximately 3,000 km till now, an increase from 376 km in March 2010. While two projects covering 265 km have been taken over by NHAI, two others covering 260 km are yet to achieve COD. Meanwhile, the length of national highways under O&M stands at 6,547 km.



*till December 2016; **till June 2017

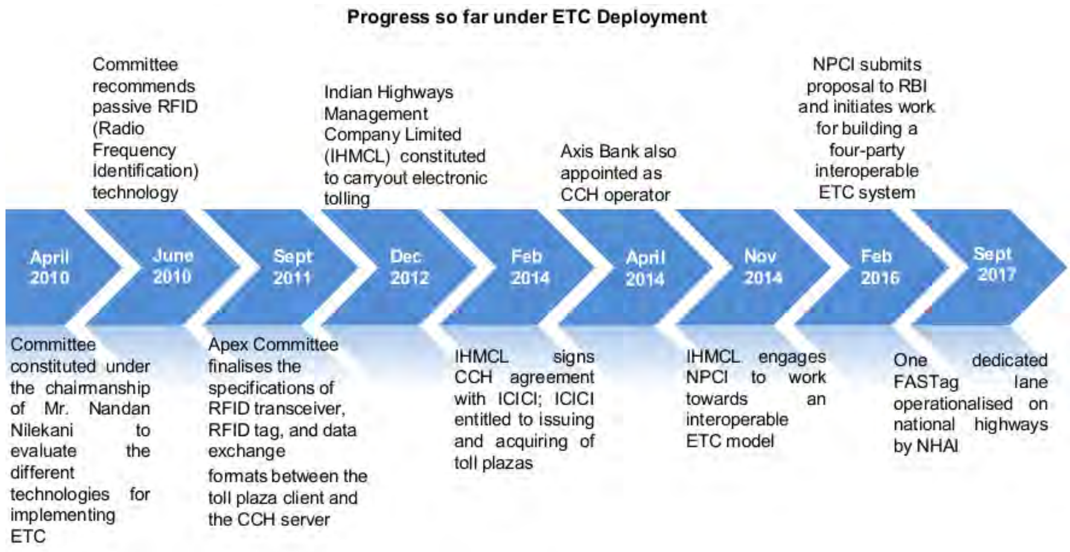
Industry Experience

Developers' Experience. Currently, the OMT sector in India is not fully developed and there is a lack of credible companies in the industry. Sizeable developers, having around 10-15 toll plazas or 5-10 road projects, tend to have in-house OMT teams, while others mostly outsource. Further, currently, major challenges being faced by concessionaires are primarily from a regulatory perspective which include implementation of GST which has led to a reduction in traffic, delays in payment for e-tolling and increased pressure from NHAI with regard to road maintenance and toll collection audits. Other challenges include increasing political intervention; toll values growing at a high rate of around 10%, which are likely to reach steep levels and delay the use of toll roads in future. The outlook for outsourced OMT is quite bright with the inflow of funds and emergence of new players in the roads sector. Developers believe that diversified/smaller players with limited exposure in the road sector and increased buyout of operational projects by private equity funds are likely to step up demand for OMT services in the future. The TOT model is going to be the next major growth avenue. However, concerns regarding the huge O&M expenditure to be incurred for projects under this model and the unpreparedness of banks need to be taken into consideration.

Operators' Experience. The operator OMT experience has been a mixed bag with operators highlighting the lack of flexibility in the concession agreement as a major issue. Lack of mechanisation in road construction and maintenance is one of the major challenges. Substantial involvement of manpower in the Indian tolling segment is another grey area. The key risks for operators include existing road not being constructed as per standards, growth of traffic not matching expectations, impact of fluctuations in wholesale price index and adjacent incomplete sections leading to traffic diversions. Meanwhile, the key rewards include much lower investment requirement *vis-à-vis* BOT projects and sufficient growth of traffic leading to higher reward. Currently, the focus is more on systems and processes. Adoption of advanced technology for OMT is still at a nascent stage. The ideal length of contract for investing in technology and equipment is six years as per some operators. Going ahead, the operators are optimistic and project the OMT industry to grow at a rate of approximately 25%-30% in fiscal 2018, and higher in fiscal 2019.

Investors Experience. For the investors, investments in OMT projects would carry benefits similar to investments in Design, Build, Finance, Operate and Transfer (toll) projects during the operations period. Investors have faced substantial construction risks, cost overruns and time delays. Stagnated growth in traffic is a major issue. Further, project duration is another area of concern with longer tenure projects demand augmentation works, which impact financial modelling. Toll resistance, cash flow problems, political pressures and exemptions are areas which require attention along with technology as the level of technology deployment has been very limited. Going ahead, the investors are keenly interested in TOT projects.

Progress under Electronic Toll Collection ("ETC") Implementation



FASTag Deployment

Deployment of ETC system through 'FASTag' has been on the rise. 14-16% of the country's toll collection takes place through digital means. 'FASTag' is now active at 371 toll plazas across the country. In September 2017, NHAI operationalized one dedicated 'FASTag' lane at all toll plazas.

Key Initiatives

Mobile Apps – NHAI launched 'MyFASTag' and 'FASTag' Partner apps in order to facilitate the availability of FASTags for ETC.

New Division to focus on highway operations - The NHAI has created a new Highway Operations Division to focus on all non-commercial highway operational activities for efficient network utilisation and providing hassle-free services.

Integrated Toll Management System ("ITMS") - ITMS offers a centralised, real-time, bank neutral platform for all the ETC related operations and acts as a robust backbone to handle the anticipated surge in digital transactions. NHAI had invited bids in September 2017 for the development of ITMS.

Weigh-in-Motion ("WIM") Technology – The WIM technology enables preventing damage to the roads and safety by ensuring vehicles are not overloaded. In March 2016, NHAI mandated Indian Highway Management Company Limited to install WIM bridges on public funded toll plazas at an estimated cost of ₹ 9.85 billion for 300 toll plazas for five years (₹ 6.56 million per plaza per annum).

Recent Developments

- The GoI has announced road improvement and national highway projects worth ₹ 900 billion in the states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. Of the total investment, ₹ 600 billion has been proposed under the Special Accelerated Road Development Programme for North-Eastern region ("SARDP-NE") programme and ₹ 300 billion under the Bharatmala Pariyojana. The projects are expected to be implemented by fiscal 2021. The GoI inaugurated the Shillong-Tura road on December 16, 2017, which includes two-laning of the 83.38 km Shillong- Nongstoin section and 201 km Nongstoin-Rongjeng-Tura section of NH-44E in Meghalaya under Phase A of the SARDP-NE. NHIDCL has signed an EPC agreement with Gannon Dunkerly and Company Limited for the Jorhat-Demow four laning road project on NH-37 in Assam.

- The GoI has awarded all the contracts under the India-Myanmar-Thailand highway and construction work for the same has commenced. The highway is likely to be completed within three years. The GoI is implementing two projects as part of the Trilateral Highway between India, Myanmar and Thailand.

- The Central government has approved the ₹ 8.46 billion six-laning Sarkhej-Gandhinagar road project. The scope of the project also involves the construction of flyovers at seven crossings - Sanand crossing, Ujala Circle, Pakwan Crossroads, Vaishnodevi Circle, Uvarsad Circle, Sargansan Circle and Infocity Crossroads. The project is expected to be completed within two years from the commencement of construction.

- The MoRTH has launched road projects worth ₹ 30 billion in Thane and Palghar districts in Maharashtra. These include the new 2.25 km, five lane Versova creek bridge to be built at an estimated cost of ₹ 2.47 billion. The NHAI plans to complete the project within two years.

- The National Bank for Agriculture and Rural Development (NABARD) has sanctioned ₹ 1.23 billion for four road projects and one bridge project under the Rural Infrastructure Development Fund (RIDF XXII) in Mizoram

- The MoRTH plans to construct ring roads worth ₹ 362.90 billion in 28 major cities of the country. Of these, detailed project reports ("DPRs") for ₹ 211 billion worth of projects are under preparation. Further, DPRs for projects worth ₹ 47 billion are under the award stage. Apart from the 28 ring roads, 40 bypasses have also been planned. These projects are a part of the Bharatmala Pariyojana, which envisages the development of 84,000 km of national highways by 2022.

- The MoRTH has laid the foundation stone of five national highway projects in Uttar Pradesh. In addition, two national highway projects were also commissioned in the state. These projects span a total length of 246 km and entail an investment of ₹ 65.17 billion.

- The Bharatmala Pariyojana has been approved for providing seamless connectivity to interior, backward and border areas of the country. It envisages the development of around 35,000 km under Phase I at an estimated cost of ₹ 5,350 billion.

- The NHAI is expected to issue bids for 1,000 km of road projects by mid-February 2018. Further, in order to maintain the pace of construction, the NHAI has commenced works on 27 road projects spanning 1,330 km and is expected to commence work on 50 projects spanning 3,000 km soon.

- The MoRTH has laid the foundation stone for four projects and inaugurated one project around Allahabad in Uttar Pradesh. The total estimated cost of the projects is ₹ 56.32 billion.

OUR BUSINESS

This Preliminary Placement Document may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Preliminary Placement Document. For further information, see "Forward-Looking Statements" on page 12. In this section, certain information is obtained or extracted from "India Infrastructure Research - Road Development in India 2018" dated January 2018 prepared and issued by India Infrastructure Publishing Private Limited" (the "India Infrastructure Report").

In this section, unless the context otherwise requires, a reference to "our Company" is a reference to MEP Infrastructure Developers Limited on a standalone basis, while any reference to "we", "us" or "our" refers to MEP Infrastructure Developers Limited on a consolidated basis.

Our Company's fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the 12 months ended March 31 of that year. Our Company was required to prepare financial statements in accordance with Ind AS for Fiscal 2017 (together with the corresponding financial statements under Ind AS for Fiscal 2016). Our historical financial statements for Fiscal 2015 and for Fiscal 2016 were originally prepared in accordance with Indian GAAP. Ind AS varies in many respects from Indian GAAP, and accordingly our Ind AS financial statements for Fiscal 2016 and Fiscal 2017 as well as for the six months ended September 30, 2017 and the nine months ended December 31, 2017 are not comparable with our historical Indian GAAP financial statements for Fiscal 2015 and Fiscal 2016. For further information, see "Risk Factors – We were required to prepare and present our financial statements under Ind AS with effect from April 1, 2016. Our Ind AS financial statements for Fiscal 2016 and Fiscal 2017 and for the six months ended September 30, 2017 and the nine months ended December 2017 are not comparable with the historical Indian GAAP financial statements for Fiscal 2015 and Fiscal 2016 included in this Preliminary Placement Document." on page 63.

In this Preliminary Placement Document, we have therefore included the Indian GAAP Audited Financial Statements for Fiscal 2015 and Fiscal 2016, and the Ind AS Audited Financial Statements for Fiscal 2016 and Fiscal 2017 and the reviewed Ind AS Condensed Financial Statements as of and for the six months ended September 30, 2016 and 2017 and for the nine months ended December 31, 2016 and 2017. Our Ind AS Audited Financial Statements for Fiscal 2016 and Fiscal 2017 also include reconciliation statements of the effect of transition from Indian GAAP to Ind AS in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. Indian GAAP and Ind AS differ in certain respects to IFRS and U.S. GAAP. Accordingly, the degree to which our financial statements included in this Preliminary Placement Document will provide a meaningful information to a prospective investor is entirely dependent on such reader's level of familiarity with Indian accounting processes and practices. For important information relating to the presentation of financial information, including the transition from Indian GAAP to Ind AS financial statements, see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Presentation of Financial Information" on page 93.

Unless otherwise specified or the context otherwise requires, financial information herein for Fiscal 2015 is derived from our Indian GAAP Audited Consolidated Financial Statements, financial information for Fiscal 2016 and 2017 is derived from our Ind AS Audited Consolidated Financial Statements, and financial information for the six months ended September 30, 2017 and the nine months ended December 31, 2017 is derived from our Ind AS Condensed Consolidated Financial Statements.

Overview

Founded in 2002, by promoters Mr. Dattatray Mhaiskar and Mr. Jayant Mhaiskar, we commenced our business with the collection of toll under the Mumbai Entry Points Project, which we now continue to operate as an OMT project pursuant to a re-award. We have grown to be a significant player in our business verticals: HAM, OMT and toll collection projects in India. We are an integrated road infrastructure company and as of December 31, 2017, we were executing six HAM projects, three OMT projects, three Long Term Toll Collection Projects, two Short Term Toll Collection projects and one BOT project. Our business operations broadly involve (i) toll collection through Long Term and Short Term toll collection, OMT and BOT projects; and (ii) construction activities through HAM projects.

Our ongoing projects are located across seven states in India. We have experience of over 15 years and as of December 31, 2017, we had successfully executed 133 projects and completed 119 projects including 221 toll plazas and 1,385 lanes across 15 states in India.

As of December 31, 2017, we (i) operated five toll collection projects, of which three were Long Term Toll Collection projects and two were Short Term Toll Collection projects, with an aggregate of 129 toll plazas across five states in India; and (ii) operated three OMT projects covering 1,182.38 lane kilometres with an aggregate of nine toll plazas.

Our projects are awarded to us through a competitive bidding process (electronic bidding in some cases) and upon fulfilment of prescribed pre-qualification criteria. Tenders for our toll collection projects and OMT projects are submitted on the basis of traffic volume and revenue forecasting undertaken by us through in-house surveys. We generate revenue from toll collection and OMT projects through collection of toll from commuters. Our toll collection and OMT projects have been awarded to us by statutory corporations or government companies that include NHAI, MSRDC, RSRDC, RIDCOR, MJPRCL, SDMC and

HRBC. The tenders for our HAM projects are submitted on the basis of preliminary investigations and engineering surveys of the project site undertaken by consultants and estimation of construction and operations & maintenance ("O&M") costs for assessing project viability. We propose to generate revenue from the HAM projects in the form of revenue for construction during the construction period, followed by annuity receipts over subsequent periods, in terms of the concession agreement, either by MoRTH or the NHAI.

Our portfolio of ongoing toll collection projects includes both Long Term (of an initial term in excess of one year) and Short Term (of an initial term of one year or lesser) projects. Our Long Term Toll Collection projects are the Delhi Entry Points Projects in Delhi for a period five years until October 1, 2022, Vidyasagar Setu Project in West Bengal for a period of five years until September 1, 2018 and the Kalyan-Shilphata Project in Mumbai for a period of 156 weeks until December 28, 2019. As of December 31, 2017, we were operating two Short Term Toll Collection Projects, namely Chennasamudram and Brijghat in Tamil Nadu and the Uttar Pradesh, respectively. Subsequently, our Brijghat project concluded on January 16, 2018 and our Chennasamudram project will conclude on September 3, 2018.

Our ongoing OMT projects include the Mumbai Entry Points Project, which is our largest OMT project on the basis of revenue, which involves collection of toll, operation and maintenance of the five entry points, 27 flyovers and certain allied structures in Mumbai for a period of 16 years until 2026. We also operate the RGSL Project which involves toll collection and maintenance. We have been collecting toll at the RGSL since its opening in 2009 pursuant to Short Term contracts and entered into an OMT contract in January 2014, for three years. The OMT contract was re-awarded to our Company in June 2017. Our other OMT project is the Hyderabad-Bangalore Project for which we have the right to collect toll at, and maintain, the road forming part of such project for a period of nine years until 2022.

We also operate a BOT project, being the Baramati Project under which we constructed the four-lane Sakhali Bridge on Karha River in Baramati, Maharashtra, and are currently entitled to maintain and collect toll at the roads and bridges in Baramati for a period of 19 years and four months until 2030.

Our Company has also recently entered into the HAM segment through a strategic collaboration with Sanjose India Infrastructure & Construction Private Limited ("**Sanjose India**"). Pursuant to the strategic collaboration, we have formed certain joint venture companies (the "**HAM JV Companies**") for the purpose of bidding in the tenders in relation to HAM projects. As of October 2017, 58 national highway projects (including HAM project awarded by NHAI) with an aggregate length of approximately 3,700 km and costing around ₹ 613,000 million were awarded under HAM. Additionally, many more projects are in advanced stages of bidding. Between January 2016 and December 2017, nine HAM-based projects achieved financial closure *(Source: India Infrastructure Report)*. As of December 31, 2017, we have been awarded six HAM projects covering 1,060 lane kilometres of which, four HAM projects are in Maharashtra, namely Arawali Kante Project, Kante Waked Project, Nagpur Package I Road Project ("**NRR 1 Project**") and Nagpur Packed II Road Project ("**NRR 2 Project**") and two HAM projects are in Gujarat, namely Talaja Mahuva Project and Mahuva Kagavadar Project. All six HAM projects have achieved their respective financial closure and the construction works have commenced in all six HAM projects. Under our existing portfolio of HAM projects, the Arawali Kante Project and Kante Waked Project have been awarded by the MoRTH, while the remaining HAM project has been awarded by the NHAI.

For the execution of our EPC contracts under HAM projects, we have procured high-end equipment from domestic as well as international suppliers, such as high capacity crushers, slip form pavers, concrete batching plants, high capacity tippers and slip form concrete pavers. We also outsource post-bid studies to engineering consultants and also undertake value engineering on the optimized design quantities for the purpose of qualitative construction at an optimized cost. For further information, see "Post-bid Engineering Studies and the Execution of HAM Projects" below.

We use advanced technology for the operation of our projects which helps in improving operational efficiency and ensuring transparency in the process of toll collection. In August 2012, we launched an electronic toll collection ("**ETC**") system based on RFID technology which was implemented at all toll plazas in RGSL, Mumbai. As of December 31, 2017 the RFID technology based ETC system had been implemented at the RGSL toll plaza at the Vidyasagar Setu Project, the three toll plazas of the Hyderabad Bangalore Project and at all five toll plazas forming part of the Mumbai Entry Points Project. In addition, we also use weight-based tolling system for our OMT contracts with NHAI through devices that are designed to capture and record axle weights and gross vehicle weights as vehicles drive over a measurement site.

A consortium formed by our Company, KENT Intelligent Transportation Systems India Private Limited and Vishwakarma Scales Private Limited (the "**KVM Consortium**"), has been awarded two projects by IHMCL for providing toll management systems including weigh-in-motion technology, CCTV surveillance and static weigh bridge at the toll plazas of public funded NHAI projects situated in the northern areas of India, namely, Punjab and Uttar Pradesh ("**North Zone**") and in the southern areas of India, namely, Karnataka, Tamil Nadu, Telangana and Andhra Pradesh ("**South Zone**").

The following table sets out the revenue mix of our ongoing projects for the periods indicated:

Revenue mix	Fiscal 2017	As a Percentage of Total Revenue	Nine months ended December 31, 2017	As a Percentage of Total Revenue
	(₹ million)	(%)	(₹ million)	(%)
OMT Projects	8,368.71	48.40%	5,637.41	36.47%
Short Term toll projects	6,481.14	37.48%	1,421.47	9.20%
Long Term toll projects, BOT and other projects	1,807.14	10.45%	4,106.36	26.56%
EPC/ HAM projects	633.69	3.67%	4,292.54	27.77%
Total	**17,290.68**	**100%**	**15,457.78**	**100%**

Competitive Strengths

Established position across business verticals with a strong track record

We commenced our operations with a single contract of toll collection under the Mumbai Entry Points Projects in 2002, and have grown to be a significant player across in our business verticals of HAM, OMT and toll collection projects. We have a track record of executing over 100 toll collection projects in India with significant presence in the tolling business. In addition to being a recognized as a key player in the toll collection and OMT business, we are one of the key players in the HAM segment *(Source: India Infrastructure Report*). We have successfully achieved financial closure of all six HAM Projects awarded to us, and have commenced construction work for all six HAM projects. In addition, three of our HAM Projects namely, NRR 1 Project, NRR 2 Project and Mahuva Kagavadar Project, have achieved their respective first payment milestones in a timely manner.

Robust portfolio of diversified assets ensuring visibility of long term revenues

We have a strong portfolio of long term assets that indicates steady cash-flows over the next five years. The diversified mix of projects helps us in diversifying our risk profile and dependence on particular type of contracts. Our mix of Long Term Toll Collection projects, OMT projects, BOT project and HAM projects, ensures sustainability of the business while the Short Term projects generate near term revenue.

The following table sets out the revenue mix of our ongoing projects for the periods indicated:

Revenue mix	Fiscal 2017	As a Percentage of Total Revenue	Nine months ended December 31, 2017	As a Percentage of Total Revenue
	(₹ million)	(%)	(₹ million)	(%)
OMT Projects	8,368.71	48.40%	5,637.41	36.47%
Short Term toll projects	6,481.14	37.48%	1,421.47	9.20%
Long Term toll projects, BOT and other projects	1,807.14	10.45%	4,106.36	26.56%
EPC/ HAM projects	633.69	3.67%	4,292.54	27.77%
Total	**17,290.68**	**100%**	**15,457.78**	**100%**

Integrated business model with dedicated in-house capabilities

We have an in-house development and execution team which undertakes studies in advance for project evaluation, preparation of necessary tendering documents for all the bids and for undertaking execution of projects. Our ability to evaluate new projects and tender effectively, for HAM projects, toll collection and OMT projects, is strengthened by the in-house traffic study and revenue forecasting ability for toll collection and OMT projects, and an in-house team experienced in conducting engineering surveys and evaluating construction and O&M costs, for ascertaining the viability of a project in relation to HAM projects. Forecasting is enhanced through using various traffic estimation techniques, maintaining a historical data bank and refreshing the data periodically. The final revenue model created is discussed and finalized by the senior management for bidding purposes. Further, we have in-house experts with significant experience for supporting and managing all EPC and maintenance related contracts.

We believe we have developed an integrated business model that is self-sustainable and efficient so as to eliminate any external dependencies and hence minimize operational inefficiencies.

Experienced management and execution team

Our senior management team comprises of professionals having extensive experience in the industry. We strongly benefit from our experienced Promoters and Key Management Personnel who handle various departments of our Company and our business.

We leverage the understanding and experience of our senior management in successfully managing our operations which has facilitated the growth of our business.

Further, our joint venture partner for HAM projects, the Sanjose group, is a multinational diversified company present across several countries.

Well positioned to capitalise on industry opportunities

The government's focus on the road sector provides multiple business opportunities to us. We believe we are well-positioned to successfully participate in future opportunities having garnered requisite experience in the EPC business in addition to our expertise in tolling operations.

The MoRTH targets the construction of approximately 15,000 km of national highways during fiscal 2018. Plans are also in place to award 50,000 km of projects worth approximately ₹ 5-6 trillion in the next two years. Mega projects such as Bharatmala, Setu Bharatam and Char Dham Connectivity, and the development of economic corridors are likely to provide significant opportunities in the sector. The GoI has also identified 2,000 km of coastal roads to improve connectivity between ports and remote villages. (*Source*: *India Infrastructure Report*)

In addition, a new toll-operate-transfer ("**TOT**") model has been introduced for efficient monetization of existing toll roads. We believe we have an early mover advantage for such model as we have been operating toll collection at the Mumbai Entry Points Projects since 2002.

Under the first TOT bundle, nine operational highway projects worth approximately ₹ 62.58 billion have been put on the block which includes three projects in Gujarat (approximately 240 km) and six projects in Andhra Pradesh (approximately 442 km). In addition, the Bharatmala Pariyojana has been approved for providing seamless connectivity to interior, backward and border areas of the country. It envisages the development of around 35,000 km under Phase I at an estimated cost of ₹ 5,350 billion. Further, the Bharatmala Pariyojana envisages the development of 84,000 km of national highways by 2022. Recently, the GoI has announced road improvement and national highway projects worth ₹ 900 billion in the states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. Of the total investment, ₹ 600 billion has been proposed under the Special Accelerated Road Development Programme for North-Eastern region ("SARDP-NE") programme and ₹ 300 billion under the Bharatmala Pariyojana. The projects are expected to be implemented by fiscal 2021. (*Source*: *India Infrastructure Report*)

Use of advanced technology for revenue optimization and increasing operational efficiencies

The business of toll collection involves two key factors: operational efficiency and revenue optimization. We believe we use advanced technologies to maximize both effectively. The business of toll collection in cash makes it imperative to have control systems in place to monitor leakages. There are a large number of cameras installed for all our projects across India. We have commissioned a centralized control room at our Airoli office, in Mumbai, at our Delhi Entry Points Projects office, in Delhi and at our RGSL Project Office, in Mumbai, to consolidate camera feeds from all the respective toll plazas to enable 24x7 video-based monitoring of toll operations.

We have commissioned automatic vehicle identification based in-road/ infrared sensors and counting mechanism in an effort to automate forecasting activities and minimize leakages. As part of the prepaid mode of toll collection, we use smart cards as well as RFID technology based tags that are mounted on the windshield of the particular vehicle. These enable faster traffic clearance at toll plazas. The RFID technology based ETC system senses the tag mounted on the windshield of the user's vehicle and deducts the toll fee from the prepaid amount as per the toll fee notification of the project. We have implemented an RFID technology based ETC system at the RGSL toll plaza in Mumbai, the Vidyasagar Setu Project, the toll plazas of the Hyderabad Bangalore Project and the toll plazas forming part of the Mumbai Entry Points Project. We also have the smart card based ETC system which enables the users to make payments through prepaid smart cards at some of our projects including, the Mumbai Entry Points Project, Hyderabad-Bangalore Project, RGSL Project and the Kalyan-Shilphata Project. ETC systems reduce cash management resulting in revenue enhancement as well as improved transparency in the amount of toll collected. ETC systems also help in reducing the clearing time for vehicles at the toll stations thereby improving operational efficiency.

For the purpose of identifying categories of vehicles and to charge an appropriate toll rate, automatic vehicle identification based in-road/ infrared sensors are also used. We also use weigh-in-motion technology for projects where weight based toll collection is required. Our weight based tolling systems, namely static weigh bridge and weight in motion systems, are integrated with the semi-automatic toll collection system for enhanced revenue controls.

For the execution of our EPC contracts under HAM projects, to achieve qualitative construction, we have procured high-end equipment from domestic as well as international suppliers, including high capacity crushers, slip form pavers, concrete batching plants, high capacity tippers and slip form concrete pavers.

In addition to strengthening our field operations, we have also adopted software to equip our head office team comprising planning engineers, quantity surveyors and procurement managers to achieve accurate job results in a relatively short period of time. We have also implemented a sourcing solution to facilitate cost efficiencies in material and equipment purchase. We also use other software for effective estimation of earthwork quantities.

Business Strategies

Consolidate established position across our business verticals

We continue to selectively bid for projects across our verticals, based on viability and ensure profitability. With the GoI's recent initiatives including the Bharatmala programme, we believe, there will be significant growth opportunities in the road sector. With our portfolio of diversified projects and integrated operations, we believe that we are well positioned to successfully bid and acquire a significant share of future projects. We remain focused on bidding only for viable projects, based on careful assessment including pre-bid engineering studies for HAM projects, our traffic survey methodology and revenue forecasting for tolling OMT projects and BOT project as well as technical evaluation of such projects.

Develop a robust order book

We believe that Long Term projects will be the driving factor for the growth and expansion of our business in the future. We intend to continue to develop a robust order-book of Long Term tolling projects and add to our existing portfolio of OMT and HAM projects, to ensure steady revenues and profitability. As of December 31, 2017, we have completed 119 projects which includes 221 toll plazas and 1,385 lanes. In line with our strategy to build a strong order book of Long Term projects, we have added the Delhi Entry Points project that is for a period five years until October 1, 2022. We intend to build on revenue and profit visibility for the medium term and further focus on future growth drivers. We intend to create significant opportunities with Long Term projects that we believe will yield results over the next few years allowing us to tap potential growth opportunities. We have developed a robust order book which provides visibility of steady cash flows over the next five years, thereby allowing our team to identify, evaluate and undertake Long Term projects, to further strengthen our order book and lower our dependence on Short Term projects.

Further strengthen our EPC capabilities and our integrated operational structure

We intend to further strengthen our integrated operational structure present across the value chain. We intend to eliminate operational dependencies and strengthen economic efficiencies.

Under the guidance of our experienced management team, we intend to strengthen our EPC capabilities in order to capitalise on future growth opportunities in the roads sector. Following our HAM projects experience, we have developed significant EPC capabilities. We have also entered into various collaborations and joint ventures with domestic and foreign entities to leverage operational synergies in order to participate in future business opportunities, including diversified EPC opportunities, thereby targeting a larger market share.

To improve our margins and operating efficiency, we continuously look to manage the costs associated with our projects and secure funding in a timely manner. We intend to continue to focus on improving our margins by strengthening our internal processes and systems to achieve optimal utilization of our resources. We aim to manage our equipment and our human resources in an efficient manner to achieve cost efficiencies in the execution of our projects. We maintain a centralized procurement department for major raw materials to achieve economies of scale and have a dedicated project execution team that monitors the development process of projects to implement best practices across our projects. In addition, we have also implemented a company-wide information management system which allows us to respond to exigencies in a quick and efficient manner.

Continue to implement and leverage advanced technology

We use advanced technology for the operation of our projects which helps in improving operational efficiencies and ensuring transparency in the process of toll collection. Even for the execution of our HAM projects, while we have been proficient in implementation of latest technological equipment across our tolling as well as construction projects, we have procured high-end equipment from domestic as well as international suppliers. We intend to adopt further technical advancement and upgrades in our ongoing operations that leads to a reduction in dependence on manpower while ensuring operational efficiencies and revenue enhancement.

Enhance our project execution capabilities

We intend to continue to focus on performance and project execution in order to ensure completion of our projects on or ahead of schedule thereby allowing us improved margins and client satisfaction. We intend to leverage project management tools to increase productivity and maximize asset utilization in capital intensive activities. We will also look to optimize operating and overhead costs to maximize our operating margins. We believe our management strength and in-house development, construction, operation and maintenance capabilities will allow us to strengthen our execution capabilities. As part of our focus on project execution, we intend to focus on health, safety and environmental management and quality management standards as we believe these are critical for prequalification of contractors by potential clients.

Our Projects

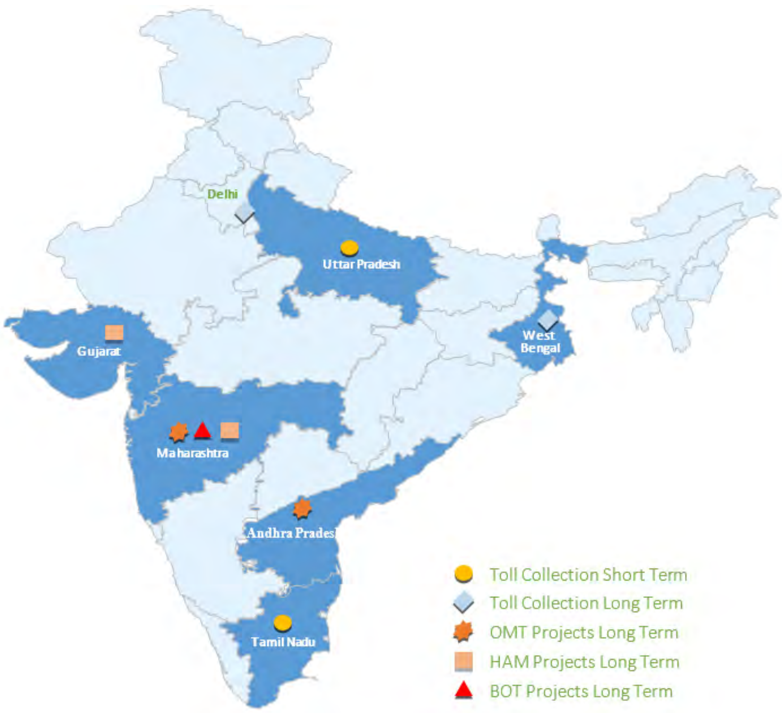
Completed Projects

As of December 31, 2017, we had completed 119 projects which included 221 toll plazas and 1,385 lanes.

Ongoing Projects

As of December 31, 2017, we operate toll collection, HAM and OMT projects in Andhra Pradesh, Gujarat, Maharashtra, Tamil Nadu, Uttar Pradesh, New Delhi and West Bengal. We also have a BOT project in Maharashtra. In addition, under the KVM Consortium, we have two ongoing projects, one each in the North Zone and South Zone. The table and chart below sets forth certain information relating to our ongoing projects as of December 31, 2017:

S. No.	Project	State	Contract Period	
			From	To
	NHAI Projects			
1	Brijghat Toll Plaza	Uttar Pradesh	January 17, 2016	January 16, 2018
2	Chennasamudram Toll Plaza	Tamil Nadu	September 4, 2017	September 3, 2018
	SDMC Project			
1	Delhi Entry Point Project	New Delhi	October 1, 2017	October 1, 2022
	MSRDC Projects			
1	Mumbai Entry Point	Maharashtra	November 20, 2010	November 19, 2026
2	Baramati IRDP Toll Plazas Project	Maharashtra	January 27, 2011	January 26, 2030
3	Kalyan-Shilphata Road Toll Plazas (BKSP)	Maharashtra	January 1, 2017	December 28, 2019
4	RGSL Project (OMT & Tolling Project)	Maharashtra	October 3, 2017	September 28, 2020
	NHAI OMT Project			
1	Hyderabad-Bangalore OMT	Andhra Pradesh	May 16, 2013	May 15, 2022
	HRBC Project			
1	Vidyasagar Setu Toll Plaza	West Bengal	September 1, 2013	September 1, 2018
	IHMCL Project			
1	Service of Toll Management System (North Zone)	North Zone	March 26, 2015	March 25, 2020
2	Service of Toll Management System (South Zone)	South Zone	March 26, 2015	March 25, 2020
	HAM Projects (Hybrid Annuity Model)			
1	NRR 1 Project	Maharashtra	May 19, 2016	November 18, 2033
2	NRR 2 Project	Maharashtra	May 19, 2016	November 18, 2033
3	Arawali Kante Project	Maharashtra	June 28, 2016	June 27, 2033
4	Kante Waked Project	Maharashtra	June 28, 2016	June 27, 2033
5	Talaja Mahuva Project	Gujarat	July 8, 2016	July 7, 2033
6	Mahuva Kagavadar Project	Gujarat	August 9, 2016	August 8, 2033



Note: Map not to scale; As of December 31, 2017.

OMT Projects

We operate three OMT projects in Maharashtra and Andhra Pradesh, namely: (i) Mumbai Entry Points Project; (ii) RGSL Project; and (iii) Hyderabad-Bangalore Project. We operate all our ongoing OMT projects through our Subsidiaries. The details of our ongoing OMT projects are set forth below:

Mumbai Entry Points Project

MSRDC has completed construction of a number of flyovers in Mumbai. MSRDC had been given the right to collect toll at the five Mumbai entry points: the Sion–Panvel Highway, the Western Express Highway corridor, the Eastern Express Highway corridor, the Lal Bahadur Shashtri Marg corridor and the Airoli Bridge corridor. Under the Mumbai Entry Points Project, we undertake maintenance of, and collection of toll at, the Mumbai Entry Points along with maintenance of 27 flyovers and certain related structures.

The Mumbai Entry Points Project is operated by our Subsidiary, MIPL, pursuant to an agreement dated November 19, 2010 (the "Mumbai Entry Points Agreement") with MSRDC. The Mumbai Entry Points Project has been granted to MIPL for a period of 16 years commencing on November 20, 2010 and ending on November 19, 2026. The scope of work for Mumbai Entry Points Project consists of: (i) operation and maintenance of five Mumbai Entry Points along with 27 flyovers and certain related structures such as bridges, underpasses, foot over-bridges, cross drainage works, pavements on the Sion–Panvel Highway, Western Express Highway corridor, Eastern Express Highway corridor, Lal Bahadur Shashtri Marg corridor and Airoli Bridge corridor; (ii) collection of toll at all five Mumbai Entry Points; and (iii) capacity addition at Mulund and Vashi which includes construction of additional lanes and toll plazas at Mulund and Vashi.

An upfront amount of ₹ 21,000.00 million was paid to MSRDC. In addition, the Mumbai Entry Points Agreement contemplates that, if after five years from the commencement date, revenue generated from toll collection is more than the revenue projected by MIPL, the excess revenue will be shared with MSRDC in accordance with the formula specified in such agreement.

MIPL has entered into a maintenance agreement dated September 8, 2014 until November 19, 2026. Our Company has sub-contracted the maintenance activities to A N Enterprises Infrastructure Services Private Limited ("**AN Enterprises**"). MIPL has also entered into a construction agreement dated December 2, 2013 with MEP HS pursuant to which MEP HS will undertake certain construction activities for capacity addition in Mulund and Vashi.

In the nine months ended December 31, 2017, our revenue from Mumbai Entry Points Project was ₹ 3,516.76 million.

RGSL Project, Maharashtra

Under the RGSL Project, we undertake maintenance of, and collection of toll for, the RGSL which comprises two cable bridges along with approach ways with an eight-lane divided carriageway with a total length of 5.00 km including approach ways. The

RGSL links Bandra in the western suburbs of Mumbai with Worli in south Mumbai. The bridge is a part of the western freeway and provides a fast moving outlet from the island city to the western suburbs in Mumbai.

The Company had undertaken toll collection at the RGSL pursuant to short term contracts with MSRDC and subsequent extensions thereof. Following the expiry of the concession period, the MSRDC extended our term, and following a tender process, re-awarded the RGSL Project to us. The RGSL Project is operated by our wholly-owned Subsidiary, MEP RGSL, pursuant to an agreement dated January 29, 2014 (the "RGSL Agreement") with MSRDC. The OMT agreement was re-awarded to our Company on June 28, 2017.

The RGSL Project has been granted to MEP RGSL for a period of 156 weeks commencing on October 3, 2017 until September 28, 2020. In accordance with the terms of the RGSL Project agreement, the scope of work includes: (i) maintenance of the RGSL Project; and (ii) collection of toll in accordance with the terms of such agreement. MEP RGSL has paid the entire upfront amount of ₹ 3,250.80 million to MSRDC.

In the nine months ended December 31, 2017, our revenue from RGSL Project was ₹ 832.05 million.

Hyderabad-Bangalore Project, Andhra Pradesh

The Hyderabad-Bangalore Project is operated by our wholly-owned Subsidiary MEP HB pursuant to a concession agreement dated December 18, 2012 (the "MEP HB Concession Agreement") with NHAI. The Hyderabad-Bangalore Project has been granted to MEP HB for a term of nine years, commencing on May 16, 2013 and ending on May 15, 2022. Under the Hyderabad-Bangalore Project, we undertake maintenance of, and collection of toll at, the Hyderabad–Bangalore section of the National Highway No. 7. The Hyderabad-Bangalore section of the National Highway No. 7 is a 251.16 km long four-lane carriageway. We collect toll at three toll plazas located on the Hyderabad-Bangalore section of the National Highway No. 7.

MEP HB has entered into a maintenance agreement dated September 16, 2013 with MEP HS pursuant to which MEP HS will undertake maintenance and road repairing activities for the Hyderabad-Bangalore Project until May 15, 2022. In addition, MEP HS has entered into a maintenance agreement dated September 17, 2013 with AN Enterprises sub-contracting the maintenance and road repairing activities for the Hyderabad-Bangalore Project.

In accordance with the terms of the MEP HB Concession Agreement, the NHAI was paid ₹ 1,059.30 million for the first year of the concession period, with a 10.00% increase each year, payable in monthly instalments.

In the nine months ended December 31, 2017, our revenue from Hyderabad-Bangalore Project was ₹ 1,288.60 million.

Toll Collection Projects

As of December 31, 2017, we operated five toll collection projects and had entered into a memorandum of understanding for another toll collection project with Mumbai Nashik Expressway Limited. Out of the five toll collection projects that we operate, three are Long Term Projects and two are Short Term Projects.

- **Long Term Toll Collection Projects**

  The Long Term toll collection projects that we operate are: (i) Vidyasagar Setu Project in West Bengal; (ii) Delhi Entry Points Project in Delhi; and (iii) Kalyan-Shilphata Project in Maharashtra:

  Vidyasagar Setu Project, West Bengal

  Under the Vidyasagar Setu Project, we undertake collection of toll at the 18 lane toll plaza at Vidyasagar Setu. Vidyasagar Setu (commonly known as the Second Hooghly Bridge), is a bridge over the Hooghly River in West Bengal. It links the city of Howrah to Kolkata. The Vidyasagar Setu Project is operated by our wholly-owned Subsidiary, RTBPL, pursuant to a tripartite agreement dated January 24, 2014 among our Company, RTBPL and HRBC (the "VS Tripartite Agreement"). Our Company and HRBC have entered into an agreement dated January 24, 2014 (the "Vidyasagar Setu Agreement") and our Company has in turn executed an inter-se agreement dated January 24, 2014 with RTBPL (the "VS Inter-se Agreement", and together with the Vidyasagar Setu Agreement and the VS Tripartite Agreement, the "Vidyasagar Setu Agreements"). The Vidyasagar Setu Project has been granted to RTBPL a period of five years commencing on September 1, 2013 and ending on September 1, 2018. In terms of the Vidyasagar Setu Agreements, RTBPL is entitled to collect the toll from vehicles seeking entry or exit through the toll site at the Vidyasagar Setu on National Highway No. 117 and for handling, operation, maintenance, renewing and renovation, upgrading of existing electronically operated toll collection system. The total amount payable to HRBC for the Vidyasagar Setu Project is ₹ 2,610.00 million, to be paid in five equal instalments over a period of five years.

  In the nine months ended December 31, 2017, our revenue from Vidyasagar Setu Project was ₹ 444.36 million.

Delhi Entry Points Project, Delhi

Under the Delhi Entry Points Projects, we undertake the toll and environment compensation charge collection at 124 entry points to Delhi. We have entered into a Toll Tax & ECC Collection Agreement dated September 28, 2017 ("TTEC Agreement") with South Delhi Municipal Corporation ("SDMC") being the lead corporation acting on behalf SDMC, East Delhi Municipal Corporation and North Delhi Corporation. The Delhi Entry Points Project is operated by our Company, pursuant to the TTEC Agreement. Under the TTEC Agreement, our Company has been engaged as a contractor for collection of toll and environment compensation charges ("ECC") collection at the border points from specified commercial vehicles entering Delhi. The Delhi Entry Points project has been granted to our Company for a period of five years commencing from October 1, 2017, and ending on October 1, 2022. In terms of the TTEC Agreement, our Company is required to install appropriate electronic equipment for the purpose of the improvement in collection of toll and ECC collection. Our Company is required to pay weekly remittance of ₹ 231.29 million to SDMC from the toll collection which aggregates to ₹ 12,060.00 million per annum for the period of five years, subject to enhancement of 5% in the awarded amount/committed amount after completion of every two years from the date of authorization by the relevant authority. In addition, ECC collection is required to be remitted on a weekly basis to SDMC.

In the nine months ended December 31, 2017, our revenue from Delhi Entry Points Project was ₹ 3,285.71 million.

Kalyan Shilphata Project, Maharashtra

The Kalyan-Shilphata Project is operated by our Subsidiary, MEP Infraprojects, pursuant to an agreement dated May 11, 2017 with MSRDC (the "Kalyan Shilphata Agreement"). The Kalyan-Shilphata Road is one of the major links connecting the Mumbai Pune Highway (National Highway No. 4) at Shilphata and the Mumbai - Nashik Highway (National Highway No. 3) at Bhiwandi in Maharashtra. Under the Kalyan Shilphata Project, our Company undertakes collection of toll at two toll plazas located at Katai and Gove on the Kalyan-Shilphata section on State Highway No. 40. The Kalyan-Shilphata road corridor is an approximately 21.06 km long corridor that connects cities/ towns of Kalyan, Dombivali and Bhiwandi. The Kalyan-Shilphata Project has been granted to us for a period of 156 weeks commencing on January 1, 2017, subject to extension of toll notification by the GoI beyond April 9, 2018. Under the Kalyan Shilphata Agreement, our Company is entitled to collect toll at the toll plazas situated at Katai and Gove. Under the Kalyan Shilphata Agreement, our Company is also responsible for maintaining the toll plazas. The total amount payable to MSRDC for the Kalyan Shilphata Project is ₹ 616.50 million. In addition, the Kalyan Shilphata Agreement contemplates that in the event the revenue generated from toll collection is more than the revenue projected by us, the excess revenue shall be shared with MSRDC in accordance with the formula specified in such agreement. In the event MEP Infraprojects charges users fee in excess of the prescribed rate, MSRDC is entitled to impose a penalty of an amount equal to 50 times of the actual amount so charged per day for 30 days. After three such incidents of levy of penalty for excess charging, the part performance security of an amount equal to one month agreed remittance will be forfeited by MSRDC in addition to such recoveries.

- **Short Term Toll Collection Projects**

In addition to the long term toll collection projects, as of December 31, 2017, we operated two short term projects. The following table sets forth certain information relating to our short term projects:

Sr. No.	Name of the Project	Description of the Project	Tenure	Authority	Payment to the Authority
1.	Chennasamudram project	Collection of user fee at Chennasamudram fee plaza in the State of Tamil Nadu	September 4, 2017 to September 3, 2018	NHAI, pursuant to an agreement dated September 1, 2017	₹ 747.00 million to be paid in weekly instalments of ₹14.32 million
2.	Brijghat project*	Collection of user fee at Brijghat Toll Plaza – in the State of Uttar Pradesh	January 17, 2017 to January 16, 2018	NHAI, pursuant to an agreement dated January 16, 2017	₹ 600.30 million to be paid in weekly instalments of ₹ 11.49 million

* *Our Brijghat project has concluded operations on January 16, 2018.*

Other Toll Collection contracts

In addition, our subsidiary MEP Tormato Private Limited ("**MTPL**") has entered into Memorandum of Understanding dated May 4, 2017 with Mumbai Nashik Expressway Limited ("**MNEL**") under which MTPL has been appointed as a sub-contractor for rendering services, amongst others, pertaining to provisions of operation, management, supervision and administrative services with the required support of MNEL with regard to the toll plaza, allied services and collection of toll revenue at the toll plazas situated at Arjunali village, District Kalyan and Ghoti village, District Nashik, in the State of Maharashtra. MNEL has been awarded a concession for improvement, operation and maintenance, rehabilitation and strengthening of the existing two-lane road and widening it to four-lane divided highway of NH-3, in the state of Maharashtra on a BOT basis for a period of 20 years by the NHAI. MTPL has been contracted as a service provider to engage in the business of collection of toll fees at two toll plazas for a period of three years and have commenced operations on June 1, 2017.

BOT Projects

We currently operate one BOT project in Baramati, Maharashtra.

Baramati Project, Maharashtra

Under the Baramati Project, we undertake maintenance of, and collection of toll for, the ring road and bridges in Baramati on a BOT basis. The construction of the four lane Sakhali bridge on Karha river was completed by us in June 2012. We currently undertake toll collection activities at five toll plazas in the Baramati Project.

The Baramati Project is being undertaken by our Subsidiary, BTPL pursuant to a concession agreement dated October 25, 2010 with MSRDC (the "**BTPL Concession Agreement**"). The Baramati Project has been granted to BTPL for a term of 19 years and four months, commencing on October 25, 2010 and ending on February 24, 2030. In terms of the BTPL Concession Agreement, BTPL is required to provide toll collection and management facilities, routine and periodic maintenance facilities, rectify defects and deficiencies and replace and maintain certain facilities specified in the BTPL Concession Agreement. BTPL has issued notices to MSRDC for terminating the Baramati Project on account of delay in handing over the unencumbered possession of the land for development by MSRDC and has also sought termination payments under the BTPL Concession Agreement. However, the termination has not yet taken effect and BTPL is continuing to operate the Baramati Project as on date. The total payment to MSRDC for the Baramati Project is ₹ 650 million and a concession fee of ₹ 100 million to be paid annually during the currency of the BTPL Concession Agreement. In addition, BTPL was collecting toll pursuant to a fee notification issued by the Government of Maharashtra, Public Works Department, however, the said fee notification was valid until February 8, 2018 and accordingly, the toll collection currently has temporarily stopped.

HAM Projects

We have six ongoing HAM Projects as of December 31, 2017: (i) Arawali Kante Road Project; (ii) Kante Waked Road Project; (iii) Mahuva Kagavadar Road Project; (iv) Talaja Mahuva Road Project; (v) Nagpur Package I Road Project; and (vi) Nagpur Package II Road Project.

The HAM model grants a three way route of income to the respective HAM JV Companies from the concerned Authority during the period of operation, which include (i) annuity payments, (ii) interest payments; and (iii) O&M Payments (collectively, ("**HAM Payments**")). The HAM Payments are due and payable following the commercial operation date ("**COD**") over a concession period of 15 years. The annuity payments are due and payable in bi-annual instalments, which are calculated on the remaining completion cost. The interest payments are due and payable on the reducing balance of the completion cost of each project, at a floating rate of the applicable bank rate plus 3.00%. The O&M payments are due and payable in two equal bi-annual instalments and disbursed along with the annuity payments. Further the O&M payments are required to be quoted by the HAM JV Company and each instalment of such O&M payment is determined in accordance with price index multiple on the reference index date preceding the due date of payment.

During the construction period of each HAM project, the HAM JV Companies are entitled to receive a proportion of the bid project cost on completion of certain milestones. These payment milestones are tied to achieving certain physical construction milestones. In terms of the concession agreements, the HAM JV Companies are entitled to receive their first payment on the achievement of 20% physical progress. Upon achievement of every milestone, the respective Authority is required to disburse an instalment equal to 8.00% of the bid project cost.

Our Company has also entered into EPC contracts with the respective HAM JV Companies, under which we are required to carry out the design, engineering, procurement of material, construction and all other works, including both temporary works and permanent works, necessary for completion of the HAM projects in accordance with the terms of the respective concession agreements. Under these EPC contracts, we are entitled to a pre-decided amount ("**EPC Contract Price**"), which varies from project to project. The EPC Contract Price, as payable by the HAM JV Companies, shall be paid against the monthly bills raised by us as per the milestone payment schedule, in terms of the respective EPC contracts. As of December 31, 2017, our EPC contract value was ₹ 30,403.77 million.

Arawali Kante Road Project

Under the Arawali Kante Road Project, our Company and Sanjose India had initially entered into a joint bidding agreement dated March 17, 2016 ("**AK JBA**") for the purposes of jointly participating in the bidding process for the Arawali Kante Road Project. Under the AK JBA, the agreed proportion of shareholding among the parties in the SPV was 74.00% to be held by our Company and 26.00% to be held by Sanjose India. Pursuant to the AK JBA, our Company has entered into a shareholders' agreement dated January 12, 2017 with Sanjose India and MEP Sanjose Arawali Kante Road Private Limited ("**MSAKRPL**"). The Arawali Kante Road Project is being operated by our joint venture with Sanjose India, MSAKRPL. Our Company holds

74.00% of the equity share capital of MSAKRPL. MSAKRPL entered into a concession agreement dated June 28, 2016 ("**AK CA**") with the MoRTH for the purpose of rehabilitation and upgradation of NH-66 from km 241.3 to km 281.3 covering 156.9 lane kilometres, the Arawali Kante section to four lane with paved shoulder in the state of Maharashtra. Further, MSAKRPL and our Company also entered into an EPC contract dated December 9, 2016 ("**AK EPC**") and a further amendment to AK EPC dated February 10, 2017 (the AW EPC together with amendment to AW EPC, "**AK EPC Contracts**") for carrying out the design, engineering, procurement of material, construction and all other works and things, including both temporary works and permanent works, necessary for completion of the Arawali Kante Project in accordance with the terms of the AK CA.

The Arawali Kante Road Project has been granted to MSAKRPL for a concession period of 15 years and a construction period of 730 days, in terms of the AK CA. The total bid project cost of the Arawali Kante Road Project is ₹ 5,929.80 million.

In terms of the AK CA, during the construction period, MSAKRPL is entitled to receive 40% of the bid project cost on the completion of certain milestones. These payment milestones are conditional upon the completion of certain percentages of physical progress throughout the construction phase. We are entitled to receive our first payment on the achievement of 20% physical progress. Upon achievement of every milestone, MoRTH shall disburse an instalment equal to 8% of the bid project cost. During the operation period, MSAKRPL is entitled to HAM Payments, which will be due and payable by the MoRTH, during the years following the COD over a concession period of 15 years. The HAM Payments include (i) annuity payments which are due and payable in bi-annual instalments, calculated on the remaining completion cost which is 60% of the bid project cost, (ii) interest payments, which will be due and payable on the reducing balance of the completion cost of the Arawali Kante Project. The interest rate shall be determined at the applicable bank rate plus 3%; and (iii) O&M payments, which will be due and payable in two equal bi-annual instalments and disbursed along with the annuity payments. Further the O&M payments shall be quoted by MSAKRPL and each instalment of O&M payment shall be determined in accordance with price index multiple on the reference index date preceding the due date of payment thereof.

Pursuant to the terms of the AK EPC, our Company is responsible for carrying out the design, engineering, procurement of material, construction and all other works and things, including both temporary works and permanent works, necessary for completion of the Arawali Kante Project in accordance with the terms of the AK CA. The EPC Contract Price under the AK EPC Contracts is ₹ 5,430.00 million.

The Arawali Kante Road Project has achieved its financial closure in terms of the AK CA and is under the construction phase. The Chief Engineer, National Highway (P.W.), Public Works Department, Government of Maharashtra, has also granted appointed date for the Arawali Kante Road Project as November 13, 2017. MSAKRPL has sought extension of time for the scheduled completion date due to delays not attributable to MSAKRPL. For further details, see "Risk Factors - Delays in the completion of construction of current and future projects could have adverse impact on our business, results of operations and financial condition." on page 62.

Kante Waked Road Project

Under the Kante Waked Road Project, our Company and Sanjose India had initially entered into a Joint Bidding Agreement dated March 17, 2016 ("**KW JBA**") for the purposes of jointly participating in the bidding process for the Kante Waked Road Project. Under the KW JBA, the agreed proportion of shareholding among the parties in the SPV was 74.00% to be held by our Company and 26.00% to be held by Sanjose India. Pursuant to the KW JBA, our Company also entered into a shareholders' agreement dated January 12, 2017 with Sanjose India and MEP Sanjose Kante Waked Road Private Limited ("**MSKWRPL**"). The Kante Waked Road Project is being operated by MSKWRPL. Our Company holds 74.00% of the equity share capital of MSKWRPL.

MSKWRPL entered into a concession agreement dated June 28, 2016 ("**KW CA**") with the MoRTH for the purpose of rehabilitation and upgradation of NH-66 from km 281.300 to km 232.200 covering 203.6 lane kilometres, the Kante Waked section to four lane with paved shoulder in Maharashtra. MSKWRPL and our Company have also entered into an EPC contract dated December 9, 2016 ("**KW EPC**") and a further amendment to KW EPC dated February 10, 2017 (the KW EPC together with amendment to KW EPC, "**KW EPC Contracts**") for carrying out the design, engineering, procurement of material, construction and all other works and things, including both temporary works and permanent works, necessary for completion of the Kante Waked Project in accordance with the terms of the KW CA. The Kante Waked Road Project has been granted to MSKWRPL for a concession period of 15 years and a construction period of 730 days, in terms of the KW CA. The total bid project cost of the Kante Waked Road Project is ₹ 8,262.80 million.

In terms of the KW CA, during the construction period, MSKWRPL is entitled to receive 40.00% of the bid project cost on the completion of certain milestones. These payment milestones are conditional upon the completion of certain percentages of physical progress throughout the construction phase. We are entitled to receive our first payment on the achievement of 20.00% physical progress. Upon achievement of every milestone, MoRTH shall disburse an instalment equal to 8.00% of the bid project cost. During the operation period, MSKWRPL is entitled to HAM Payments, which will be due and payable by the MoRTH, during the years following the COD over a concession period of 15 years. The HAM Payments include (i) annuity payments which are due and payable in bi-annual instalments, calculated on the remaining completion cost which is 60.00% of the bid project cost, (ii) interest payments, which will be due and payable on the reducing balance of the completion cost of the Arawali Kante Project. The interest rate shall be determined at the applicable bank rate plus 3.00%; and (iii) O&M payments, which will be due and payable in two equal bi-annual instalments and disbursed along with the annuity payments. Further the O&M payments shall be quoted by MSKWRPL and each instalment of O&M payment shall be determined in accordance with price index multiple on the reference index date preceding the due date of payment thereof.

In terms of the KW EPC Contracts, our Company is responsible for carrying out the design, engineering, procurement of material, construction and all other works and things, including both temporary works and permanent works, necessary for completion of the Kante Waked Project in accordance with the terms of the KW CA. The EPC Contract Price under the KW EPC Contracts is ₹ 7,600.00 million.

The Kante Waked Road Project has achieved its financial closure in terms of the KW CA and is under the construction phase. The Chief Engineer, National Highway (P.W.), Public Works Department, Government of Maharashtra, has also granted appointed date for the Kante Waked Road Project as November 13, 2017. MSKWRPL has sought extension of time for the scheduled completion date due to delays not attributable to MSKWRPL. For further details, see “Risk Factors - Delays in the completion of construction of current and future projects could have adverse impact on our business, results of operations and financial condition.” on page 62.

Mahuva Kagavadar Road Project

Under the Mahuva Kagavadar Road Project, our Company and Sanjose India had initially entered into a Joint Bidding Agreement dated April 6, 2016 (“**MK JBA**”) for the purposes of jointly participating in the bidding process for the Mahuva Kagavadar Road Project. Under the MK JBA, the agreed proportion of shareholding among the parties in the SPV was 60.00% to be held by our Company and 40.00% to be held by Sanjose India. Pursuant to the MK JBA, our Company also entered into a shareholders’ agreement February 27, 2017 with Sanjose India and MEP Sanjose Mahuva Kagavadar Road Private Limited (“**MSMKRPL**”). The Mahuva Kagawadar Road Project is being operated by our joint venture with Sanjose India, MSMKRPL. Our Company holds 60.00% of MSMKRPL.

MSMKRPL entered into a concession agreement dated August 9, 2016 (“**MK CA**”) with the NHAI for the purpose of four laning of Mahuva to Kagavadar section of NH-8E from km 100.100 to km 139.915 covering 60.1 lane kilometres in the State of Gujarat. Further, MSMKRPL and our Company also entered into EPC Contract dated June 21, 2017 (“**MK EPC**”) and a further amendment to MK EPC dated September 12, 2017 (the MK EPC together with amendment to MK EPC, “**MK EPC Contracts**”) for carrying out the design, engineering, procurement of material, construction and all other works and things, including both temporary works and permanent works, necessary for completion of the Mahuva Kagavadar Project in accordance with the terms of the MK CA.

The Mahuva Kagavadar Road Project has been granted to MSMKRPL for a concession period of 15 years and a construction period of 910 days, in terms of the MK CA. The total bid project cost of the Mahuva Kagavadar Road Project is ₹ 6,046.80 million.

In terms of the MK CA, during the construction period, MSMKRPL is entitled to receive 40.00% of the bid project cost on the completion of certain milestones. These payment milestones are conditional upon the completion of certain percentages of physical progress throughout the construction phase. We are entitled to receive our first payment on the achievement of 20.00% physical progress. Upon achievement of every milestone, NHAI shall disburse an instalment equal to 8.00% of the bid project cost. During the operation period, MSMKRPL is entitled to HAM Payments, which will be due and payable by the NHAI, during the years following the COD over a concession period of 15 years. The HAM Payments include (i) annuity payments which are due and payable in bi-annual instalments, calculated on the remaining completion cost which is 60.00% of the bid project cost, (ii) interest payments, which will be due and payable on the reducing balance of the completion cost of the Mahuva Kagavadar Project. The interest rate shall be determined at the applicable bank rate plus 3.00%; and (iii) O&M payments, which will be due and payable in two equal bi-annual instalments and disbursed along with the annuity payments. Further the O&M payments shall be quoted by MSMKRPL and each instalment of O&M payment shall be determined in accordance with price index multiple on the reference index date preceding the due date of payment thereof.

Under the MK EPC Contracts, our Company is responsible for carrying out the design, engineering, procurement of material, construction and all other works and things, including both temporary works and permanent works, necessary for completion of the Mahuva Kagavadar Road Project in accordance with the terms of the MK CA. The EPC Contract Price under the MK EPC Contracts is ₹ 5,570.00 million.

The Mahuva Kagavadar Road Project has achieved its financial closure in terms of the MK CA and is under the construction phase. Further, the NHAI has also granted appointed date for the Mahuva Kagavadar Road Project as May 15, 2017. The Mahuva Kagavadar Road Project has achieved its first payment milestone in terms of MK CA in a timely manner.

Talaja Mahuva Road Project

Under the Talaja Mahuva Road Project, our Company and Sanjose India had initially entered into a Joint Bidding Agreement dated April 6, 2016 (“**TM JBA**”) for the purposes of jointly participating in the bidding process for the Talaja Mahuva Road Project. Under the TM JBA, the agreed proportion of shareholding among the parties in the SPV was 60.00% to be held by our

Company and 40.00% to be held by Sanjose India. Pursuant to the TM JBA, our Company also entered into a shareholders' agreement dated February 27, 2017 with Sanjose India and MEP Sanjose Talaja Mahuva Road Private Limited ("**MSTMRPL**"). The Talaja Mahuva Road Project is operated by our joint venture with Sanjose India, MSTMRPL. Our Company holds 60.00% of MSTMRPL.

MSTMRPL entered into a concession agreement dated July 8, 2016 ("**TM CA**") with the NHAI for four laning of Talaja Mahuva section of NH-8E from km 53.585 to km 100.1 covering 181.8 lane kilometres in the State of Gujarat. MSTMRPL and our Company have also entered into EPC Contract dated June 21, 2017 ("**TM EPC**") and a further amendment to TM EPC dated September 12, 2017 (the TM EPC together with amendment to TM EPC, "**TM EPC Contracts**") for carrying out the design, engineering, procurement of material, construction and all other works and things, including both temporary works and permanent works, necessary for completion of the Talaja Mahuva Project from km 54.9 to km 100.45 in accordance with the terms of the TM CA.

The Talaja Mahuva Road Project has been granted to MSTMRPL for a concession period of 15 years and a construction period of 910 days. The total bid project cost of the Talaja Mahuva Road Project is ₹ 6,430.50 million which shall be due and payable by the NHAI to MSTMRPL.

In terms of the TM CA, during the construction period, MSTMRPL is entitled to receive 40.00% of the bid project cost on the completion of certain milestones. These payment milestones are conditional upon the completion of certain percentages of physical progress throughout the construction phase. We are entitled to receive our first payment on the achievement of 20.00% physical progress. Upon achievement of every milestone, NHAI shall disburse an instalment equal to 8.00% of the bid project cost.

During the operation period, MSTMRPL is entitled to HAM Payments, which will be due and payable by the NHAI, during the years following the COD over a concession period of 15 years. The HAM Payments include (i) annuity payments which are due and payable in bi-annual instalments, calculated on the remaining completion cost which is 60% of the bid project cost, (ii) interest payments, which will be due and payable on the reducing balance of the completion cost of the Talaja Mahuva Project. The interest rate shall be determined at the applicable bank rate plus 3%; and (iii) O&M payments, which will be due and payable in two equal bi-annual instalments and disbursed along with the annuity payments. Further the O&M payments shall be quoted by MSTMRPL and each instalment of O&M payment shall be determined in accordance with price index multiple on the reference index date preceding the due date of payment thereof.

Under the TM EPC Contracts, our Company is responsible for carrying out the design, engineering, procurement of material, construction and all other works and things, including both temporary works and permanent works, necessary for completion of the Talaja Mahuva Road Project in accordance with the terms of the TM CA. The EPC Contract Price under the MK EPC is ₹ 5,930.00 million.

The Talaja Mahuva Road Project has achieved its financial closure in terms of the TM CA. The NHAI has also granted appointed date for the Talaja Mahuva Road Project as April 25, 2017. The project is currently under the construction phase.

Nagpur Package I Road Project

Under the Nagpur Package I Road Project, our Company and Sanjose India had initially entered into a Joint Bidding Agreement for consortium dated March 9, 2016 ("**NRR 1 JBA**") for the purposes of jointly participating in the Bidding Process for the Nagpur Package I Road Project. Under the NRR 1 JBA, the agreed proportion of shareholding among the parties in the SPV was 74.00% to be held by our Company and 26.00% to be held by Sanjose India. Pursuant to the NRR 1 JBA, our company also entered into a shareholders' agreement dated December 12, 2016 with Sanjose India and M/s MEP Sanjose Nagpur Ring Road 1 Private Limited ("**NRR 1**"). The Nagpur Package I Road Project is being operated by NRR 1. Our Company holds 74.00% of the equity share capital of NRR 1.

NRR 1 entered into a concession agreement dated May 19, 2016 ("**NRR 1 CA**") with the NHAI for the maintenance and management of Nagpur ring road including the section km 0.5 to km 34.0 by four laning covering 134.0 lane kilometres thereof in the State of Maharashtra on the Hybrid Annuity Mode. NRR 1 and our Company also entered into EPC Contract dated October 13, 2016 ("**NRR1 EPC**") and a further amendment to NRR1 EPC dated December 27, 2016 (the NRR1 EPC together with amendment to NRR1 EPC, "**NRR1 EPC Contracts**") for carrying out the design, engineering, procurement of material, construction and all other works and things, including both temporary works and permanent works, necessary for completion of the NRR1 Project in accordance with the terms of the NRR1 CA.

The Nagpur Package I Road Project has been granted to NRR 1 for a concession period of 15 years and a construction period of 910 days. The total bid project cost of the Nagpur Package I Road Project is ₹ 5,310.00 million which shall be due and payable by the NHAI to NRR1.

Under the NRR 1 CA, during the construction period, MSMKRPL is entitled to receive 40.00% of the bid project cost on the completion of certain milestones. These payment milestones are conditional upon the completion of certain percentages of physical progress throughout the construction phase. We are entitled to receive our first payment on the achievement of 20.00%

physical progress. Upon achievement of every milestone, NHAI shall disburse an instalment equal to 8.00% of the bid project cost. During the operation period, NRR1 is entitled to HAM Payments, which will be due and payable by the NHAI, during the years following the COD over a concession period of 15 years. The HAM Payments include (i) annuity payments which are due and payable in bi-annual instalments, calculated on the remaining completion cost which is 60.00% of the bid project cost, (ii) interest payments, which will be due and payable on the reducing balance of the completion cost of the NRR1 Project. The interest rate shall be determined at the applicable bank rate plus 3.00%; and (iii) O&M payments, which will be due and payable in two equal bi-annual instalments and disbursed along with the annuity payments. Further the O&M payments shall be quoted by NRR1 and each instalment of O&M payment shall be determined in accordance with price index multiple on the reference index date preceding the due date of payment thereof.

Under the NRR1 EPC Contracts, our Company is responsible for carrying out the design, engineering, procurement of material, construction and all other works and things, including both temporary works and permanent works, necessary for completion of the Nagpur Rind Road Package I Road Project in accordance with the terms of the NRR1 CA. The EPC contract price under the NRR1 EPC Contracts is ₹ 4,850.00 million.

The Nagpur Package I Road Project has achieved its financial closure in terms of the NRR 1 CA. The Nagpur Package I Road Project is still under the construction phase**.** The Nagpur Package I Road Project has achieved its first payment milestone in terms of NRR 1 CA in a timely manner.

Nagpur Package II Road Project

Description

Under the Nagpur Package II Road Project, our Company and Sanjose India had initially entered into a Joint Bidding Agreement for consortium dated March 9, 2016 ("**NRR 2 JBA**") for the purposes of jointly participating in the Bidding Process for the Nagpur Package II Road Project. Under the NRR 2 JBA, the agreed proportion of shareholding among the parties in the SPV was 74.00% to be held by our Company and 26.00% to be held by Sanjose India. Pursuant to the NRR 2 JBA, our Company also entered into a shareholders' agreement dated December 12, 2016 with Sanjose India and MEP Nagpur Ring Road 2 Private Limited ("**NRR 2**"). The Nagpur Package II Road Project is operated by NRR 2. Our Company holds 74.00% of the equity share capital of NRR 2.

The joint venture, NRR 2 entered into a concession agreement dated May 19, 2016 ("**NRR 2 CA**") with the NHAI for the maintenance and management of Nagpur ring road including the section km 34.5 to km 62.035 by four laning covering 112.1 lane kilometres thereof in the state of Maharashtra on the Hybrid Annuity Mode. NRR 2 and our Company also entered into EPC Contract dated October 13, 2016 ("**NRR 2 EPC**") and a further amendment to NRR2 EPC dated December 27, 2016 (the NRR2 EPC together with amendment to NRR2 EPC, "**NRR2 EPC Contracts**") for carrying out the design, engineering, procurement of material, construction and all other works and things, including both temporary works and permanent works, necessary for completion of the NRR1 Project in accordance with the terms of the NRR1 CA.

The Nagpur Package II Road Project has been granted to NRR 2 for a concession period of 15 years and a construction period of 910 days. The total bid project cost of the Nagpur Package II Road Project is ₹ 6,390.00 million. In terms of the NRR 2 CA, during the construction period, NRR 2 is entitled to receive 40.00% of the bid project cost on the completion of certain milestones. These payment milestones are conditional upon the completion of certain percentages of physical progress throughout the construction phase. We are entitled to receive our first payment on the achievement of 20.00% physical progress. Upon achievement of every milestone, NHAI shall disburse an instalment equal to 8.00% of the bid project cost. During the operation period, NRR 2 is entitled to HAM Payments, which will be due and payable by the NHAI, during the years following the COD over a concession period of 15 years. The HAM Payments include (i) annuity payments which are due and payable in bi-annual instalments, calculated on the remaining completion cost which is 60.00% of the bid project cost, (ii) interest payments, which will be due and payable on the reducing balance of the completion cost of the NRR2 Project. The interest rate shall be determined at the applicable bank rate plus 3.00%; and (iii) O&M payments, which will be due and payable in two equal bi-annual instalments and disbursed along with the annuity payments. Further the O&M payments shall be quoted by NRR2 and each instalment of O&M payment shall be determined in accordance with price index multiple on the reference index date preceding the due date of payment thereof.

Under the NRR 2 EPC Contracts, our Company is responsible for carrying out the design, engineering, procurement of material, construction and all other works and things, including both temporary works and permanent works, necessary for completion of the Nagpur Rind Road Package I Road Project in accordance with the terms of the NRR2 CA. The EPC contract price under the NRR2 EPC Contracts is ₹ 5,850.00 million.

The Nagpur Package II Road Project has achieved its financial closure in terms of the NRR 2 CA. The Nagpur Package II Road Project is still under the construction phase. The Nagpur Package II Road Project has achieved its first payment milestone in terms of NRR 2 CA in a timely manner.

Other Projects

A consortium formed by our Company, KENT Intelligent Transportation Systems India Private Limited and Vishwakarma Scales Private Limited (the "**KVM Consortium**") pursuant to a consortium agreement dated December 12, 2014 (the "**Consortium Agreement**") has been awarded, by IHMCL by way of letter of award dated January 10, 2015 and February 27, 2015, and executed an agreement dated March 26, 2015, a project for providing toll management systems including weigh-in-motion technology, CCTV surveillance and static weigh bridge at the toll plazas of public funded NHAI projects in the north zone and south zone, for a period of five years, respectively. Additionally, the parties also entered into a supplementary agreement dated July 19, 2017 ("**Supplementary Agreement**") for change in scope of work to provide for installation of uniform ETC system in all the lanes of the new toll plazas (as stated under the Supplementary Agreement), responsibility for functioning and maintenance of all equipment at the new toll plazas (as provided in the Supplementary Agreement) and to integrate ETC, toll management systems, weigh-in-motions systems, CCTV surveillance PMS, SWMs and lease line connectivity provided by the NHAI.

The project has been awarded to KVM Consortium at a price of ₹ 710.10 million and ₹ 792.00 million for the North Zone and South Zone, respectively. Further, in terms of the Consortium Agreement, KENT Intelligent Transportation Systems India Private Limited is the lead member of the consortium holding 34.00% interest in the KVM Consortium, while Vishwakarma Scales Private Limited and our Company each holds 33.00% interest in the KVM Consortium.

Business Development

We procure and enter into contracts primarily through the process of competitive bidding. Our business development team tracks newspaper reports as well as the official websites of various authorities and government project tender aggregators where details of potential projects are typically listed. Subsequently, the prospective tenders are sourced from the relevant issuing authorities such as NHAI, state public works departments and road development corporations. We also source project tenders from private entities involved in BOT projects who are looking to sublet the toll collection and maintenance activities for their balance concession periods.

The business development team reviews the request for proposal and request for qualification documents and prepares a list of queries for the pre-bid meeting, if any. The tender documents procured are initially evaluated by the heads of business development, survey, finance and operations departments who determine whether a particular project should be pursued based on a review of various parameters including the project's scale of size and scope of work, potential profitability and geographic location. Upon obtaining the initial internal clearance to proceed with the bid, the business development team also mobilises the accounts/ finance, legal and human resources departments in order to obtain various bid related inputs and documents required for preparation of technical and financial bids. This mainly includes detailed traffic and revenue estimation studies and maintenance activities studies, which are conducted by both in-house and/ or external teams.

A detailed bid presentation is made to the Chairman & Managing Director of our Company, Jayant D. Mhaiskar and Murzash Manekshana, the Deputy Managing Director of our Company, who take the final decision on the bids to be made. Necessary documents as well as fees and earnest money deposit, as required, are submitted in accordance with the prescribed bidding procedure.

If the contract is awarded to us, all necessary steps are taken for procurement of letter of acceptance and execution of various agreements. In case the contract is not awarded, application for refund of earnest money deposit is made.

Upon receipt of the letter of acceptance, the business development team co-ordinates with the finance department for arranging the performance security required to be paid for the project and with the legal and secretarial departments for the execution of the contract. Simultaneously, the operations and human resource departments are mobilised to commence projects in an efficient and timely manner.

Traffic Survey Methodology and Revenue Forecasting for Tolling, OMT Projects and BOT Project

We have in-house experience in the areas of traffic survey and prediction of traffic volumes and patterns across different locations. Our traffic survey team has conducted surveys on various national highways, state highways, expressways, tolling projects, bypasses and bridges in various states in India where we have projects.

Our traffic survey team identifies key parameters including the location, permissions and approvals required, schedule and resources in respect of each survey prior to commencement of the actual survey. Standardized survey forms and information sheets are used for collection of all ancillary and secondary data relevant for traffic survey, project feasibility and revenue forecasting. This information collected include information regarding toll plazas, lanes/ booths, project infrastructure, surrounding villages and towns, business and professions of local population, agricultural products, seasonality impacts and possible revenue leakages. There are survey managers present at all survey locations to monitor the entire survey activity who conduct random checks at regular intervals to ensure the accuracy of the survey. The survey forms are collected by the survey managers on an hourly basis, thus avoiding any potential to alter any survey data. The survey data is reviewed by a team at our head office and is validated for revenue forecasting.

The Average Daily Traffic ("**ADT**") of various identified vehicle categories is derived from the survey data and is used as a basis for revenue forecasting. Projections of revenue are prepared based on factors such as trends in traffic counts, terms and conditions of request for proposal, fee notification and amendments, survey data, possible seasonal variations, photographs, maps, geographical location and historical information, if available.

Toll rates, if not prescribed by the authority, are calculated based on formulas provided in the government notifications and applied to revenue projections. The final revenue model is thereafter discussed and finalized by the senior management for the purpose of bidding.

Pre-bid Engineering Studies Methodology for HAM Projects

We have in-house experience in the areas of engineering survey and we also appoint a technical consultant to carry out a detailed reconnaissance of the project area and to record and highlight important features and point out any issue that may be of importance in terms of implementation and operation of the HAM project. Further, the consultant is required to prepare a preliminary project road description based on preliminary investigations, which include broad indication of existing pavement condition, broad indication for the requirement of forest clearance, if any, right of way details and identification and presentation of major risk elements that could affect the construction activity. The consultant also prepares a list of items which could potentially hinder construction activities and operation activities on the project sites, which is submitted to our Company for discussions with the relevant Authorities.

The consultant submits a project appreciation report which includes (i) the detailed site plan of the project, (ii) engineering surveys and preliminary designs of the project, which is based on value engineering and value analysis, (ii) structures in relations to bridges and cross drainage, and (iii) bills of quantities in a prescribed format after due consultation with our Company, covering all items of work.

Subsequent to the aforementioned scope of work, the consultant also submits a method statement which shall essentially contain information including the details of surveys to be taken up, procurement process of secondary data and schedule and staffing for the assignment.

We have a team with experience in engineering survey. Our team has carried out estimations for various national highways, state highways, expressways, tolling projects, bypasses and bridges in various states in India. Currently, our technical staff is involved in the in-house site visit and preliminary survey in relation to the HAM projects. Our civil department identifies key parameters including the location, permissions and approvals required in respect of each traffic and engineering survey prior to commencement of the actual survey. The civil department also identifies material sources and their availability and rates, local issues, risk during the construction of the projects, land acquisition status and applicable permits for a particular project.

This collected technical data is reviewed by a team at our Head Office and is validated for estimation. Standardized costing sheets are used for the estimation of construction, and operation and maintenance costing.

Post-bid Engineering Studies and the Execution of HAM Projects

We outsource the post-bid detailed studies to engineering consultants for arriving at the optimized design quantities, which are further validated by our in-house team. We further undertake value engineering on the optimized design quantities for the purpose of qualitative construction at an optimized cost. For procurement of materials, plants and machinery in relation to the construction of the project, we enter into sub-contracting agreements with third party contractors. For the purpose of engaging a sub-contractor, we undertake online auction procedures for purpose of arriving at competitive pricing. On the basis of competitive bidding, we award the sub-contracts to the successful sub-contractor. Additionally, we have also entered into arrangements with material suppliers to achieve economies of scale. Pursuant to the necessary procurement and sub-contracting, our Head Office implements the necessary plans for implementation of the works within our assigned budget. We have implemented the enterprise resource planning software for effective project management and database management.

Toll Operation and Collection Process

Toll Operation Process

Toll plazas primarily comprise of toll booths with cash lanes, ETC lanes and hybrid ETC lanes, a point of sale ("**POS**") counter where monthly passes, discount coupons, ETC tags and journey based cards are issued and an administrative office which supports and controls the collection activities. Every toll plaza is governed by the toll rates prescribed for different vehicle classes under the respective contract and compliance with the specified toll rates is monitored by the manager deployed at the toll plaza. The toll plazas are typically operated in shifts, taking into account factors like specific project requirements (if any), operational convenience and employee satisfaction.

Bio-metric verification is used for recording staff attendance and toll booths are allocated through an employee resource planning software. Available modes of payment typically include single journey ticket, return journey ticket, daily and monthly passes, and journey based coupons/ cards, any of which can be selected by the users. The systems used for toll collection include: (i) a semi-automatic toll collection system wherein the toll operator ensures that the receipt generated pertains to the right class of vehicle; (ii) an automated vehicle classification system which identifies the class of vehicles with the help of sensors; (iii) an electronic toll collection system which is a fully automated RFID technology based toll collection system; and (iv) a smart card based electronic toll collection system. For further information, see "Information Technology" below.

Collection Process

The supervisor collects cash from each toll booth every three hours. At the end of the shift, the toll operator declares the last cash in hand as well as coupons collected and cancellation details, if any, at the administrative office. The person in-charge of the shift enters all details provided and generates a shift master report. At the end of his shift, the person in-charge of the shift also prepares a sale report of the POS counter as well as a final cash slip detailing booth wise intermediate and final collection.

At the toll plazas in Mumbai, cash collected is transported in the presence of appropriate security and insurance to the cash office, where it is counted and verified against the final cash slip. At the toll plazas at other locations, cash is either deposited by toll officials in the bank or directly collected by the bank.

Information Technology

We have partnered with various technology and software providers and have installed modern technologies and deployed newer tools across various projects.

Toll Management Systems

Payments at the toll plazas, both electronic as well cash payment, are processed through a semi-automated or a fully-automated toll collection system, depending on the complexity of the project and the infrastructure provided by the government authority. We have installed toll management systems at all of our toll collection projects and five OMT projects. Both these systems collect and store traffic and payment data, thereby reducing the need for manual operation. A semi-automated system consists of revenue collection software desktop, barrier gate, smart cards and monitoring cameras and a fully automated system includes equipment such as vehicle counting classifier, vehicle audit system, communication channels and traffic control equipment in addition to all the components of a semi-automated system.We also have established security systems and equipment at our toll booths including modern video and image capturing equipment to minimize cash pilferage.

RFID Technology Based Electronic Toll Collection System and Smart Cards

We have established an RFID technology based electronic toll collection system ("**ETC**") at the RGSL toll plaza in Mumbai, the Vidyasagar Setu Project, the three toll plazas of the Hyderabad Bangalore Project and at all five toll plazas forming part of the Mumbai Entry Points Project. Further, we also use weight based tolling systems for our OMT contracts with NHAI with the help of devices that are designed to capture and record axle weights and gross vehicle weights as vehicles drive over a measurement site. We also have the smart card based ETC system which enables users to make payments through prepaid smart cards at some of our projects including the Mumbai Entry Points Project, Hyderabad-Bangalore Project, RGSL Project and the Kalyan-Shilphata Project. ETC systems reduce cash management resulting in revenue enhancement as well as improved transparency in the amount of toll collected. ETC systems also help in reducing the clearing time for vehicles at the toll stations thereby improving operational efficiency.

Vehicle Identification Systems

We make use of video and image capturing equipment and automatic vehicle identification based on in-road/ infrared sensors for identifying the categories of vehicles for the purpose of determining the applicable toll rate. We deploy infrared based toll revenue audit systems at some of our projects, including toll plazas for the Mumbai Entry Points Project and the RGSL toll plaza and undertake video-based monitoring of the operations at the projects through a centralised control room at our Airoli office, in Mumbai, at our Delhi Entry Points Projects office, in Delhi and at our RGSL Project Office, in Mumbai,

Weight Based Tolling Systems

We use weight based tolling system for our OMT contracts with NHAI with the help of weighing in motion devices that are designed to capture and record axle weights and gross vehicle weights as vehicles drive over a measurement site. Weighing in motion systems do not require the vehicle to stop and are capable of measuring vehicles that are travelling at a reduced or normal traffic speed, thereby improving the efficiency of the weighing process.

Systems for Back Office Management and Support Functions

We also have enterprise resource planning solutions for back office management and support functions. We currently use Microsoft Project as a tool to track and review activities with respect to highway maintenance. We are also evaluating options with certain service providers for implementing newer systems for highway management.

Health, Safety and Environment

We have adopted good practices, including undertaking mock drills and safety orientation programmes to promote a safe working environment. Typically, in EPC contracts entered into by us, most of the necessary approvals and environmental clearances for the construction of the project are to be procured by our clients.

Employees

We believe that a team of committed and motivated employees is a key competitive advantage and will benefit us in our future growth and expansion. As of December 31, 2017, we had 5,556 individuals employed which included 3,602 employees who were on our payrolls and 1,954 individuals who were employed on a contract basis working at different toll plazas, who had been hired through various agencies.

Our recruitment policy aims at enriching our talent pool by acquiring skill and functional expertise. This policy is implemented through training and induction for new employees as well as leadership training programmes for certain categories of employees undertaken by our training department. We conduct appraisals for employees who have completed a period of at least six months of employment with us and award promotions to candidates based on such appraisals. We also provide loans as well as medical re-imbursements to certain employees in accordance with our policies. Further, our employees are currently not represented by any labour union. We believe that we have a satisfactory working relationship with our employees and we have not experienced any significant labor disputes in the past.

Competition

Since all of our projects are awarded through competitive bidding process, the competition for each contract depends on the parties that meet the criteria to bid for such projects. We are subject to intense competition, both in relation to (i) toll management and OMT contracts; and (ii) HAM projects. For toll management, in addition to certain large-scale players having a national presence, we compete with local players who also bid for toll contracts. For OMT projects, we compete with those bidders who have achieved BOT or OMT pre-qualification of the relevant authority. For HAM projects, we compete with the EPC companies executing the highway projects.

Insurance

Our Company has obtained standard fire and special perils insurance policies for most of our projects to cover risks including loss or damage from fire, flood, theft, riots, landslide, storm, impacts from vehicles and other accidents, caused to operational roads, toll plazas and toll booths forming part of a project. We have also obtained add-on insurance covers for some of our projects for loss or damage resulting from earthquakes and acts of terrorism. Further, we have obtained money insurance for all of our projects which cover risk of loss of money at the project premises as well as risk of loss of money during transit. We have also obtained employee compensation insurance policies for certain categories of our employees including Company's clerical and supervisory staff, employees engaged in collection of toll and sub-contractor's staff. Further, we have obtained group personnel accident policies for certain categories of our employees including civil staff and survey team.

We also have general public liability insurance policies for all our OMT projects and our BOT project at Baramati and special contingency liability policy for the Mumbai Entry Points Project, which provide us with indemnity against legal liability to pay damages to third parties claims for bodily injury or damage to property caused by an accident.

The insurance policies are usually renewable in accordance with normal industry practice and are subject to terms, conditions and warranties specified in the policies.

Intellectual Property

We have registered trademark for the name as well as logo of our Company under various classes with the registrar of trademarks. We also have registered trademark for the logo of five of our Subsidiaries, being RTRPL, RTBPL, RVPL, MIPL and RTPL under various classes. We have applied for registration of trademark for the logos of one of our Subsidiary, being, BTPL, which is currently pending. For further information, see "Risk Factors - Our Company has certain registered trademarks. Failure or delay in renewing the same in the future may impact the Company's rights to use them" on page 76.

Property and Equipment

We own most of the assets that we use in our projects, and procure equipment from various domestic and international suppliers.

We own our registered office premises situated at A412, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri (East), Mumbai 400 072.

Pursuant to the BTPL Concession Agreement, BTPL has entered into a lease deed dated May 10, 2012 with MSRDC (the "Lease Deed") under which, BTPL has been granted a plot admeasuring 8 hectares 42 R in Baramati (the "Leased Premises"), which form part of the Baramati Project, for a period of 93 years from the date of the Lease Deed. The Lease Deed is valid for an initial period of 30 years to be renewed for a further term of 30 years which will thereafter be renewed for the remaining term of 33 years. In terms of the Lease Deed, BTPL has the right to use the Leased Premises for commercial purposes including the right to build, manage and operate any building or any permanent structures on the Leased Premises. BTPL is required to pay a rent of ₹ 1 per square meter per year to MSRDC for the Leased Premises. BTPL has issued notices to MSRDC terminating the Baramati Project on account of delay caused by MSRDC in handing over possession of the Leased Premises. However, MSRDC has not yet accepted the termination notices and accordingly the termination process has not been completed.

We also occupy properties on leave and license basis at some of our project locations for providing residential accommodation to our employees from time to time. These leave and license arrangements are typically for a period of one year.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The composition of our Board is governed by the provisions of the Companies Act, 2013, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles. Our Board presently consists of eight Directors including two Executive Directors, two Non- Executive and Non Independent and four Independent Directors. In accordance with the Articles, our Company shall not have less than three Directors and more than 15 Directors. The quorum for meetings of our Board is one-third of the total number of Directors, or two Directors, whichever is higher. Where the number of interested Directors exceeds or is equal to two-thirds of the total number of remaining Directors present at such meeting, the number of remaining Directors who are not interested and are present at the meeting, not being less than two, shall be the quorum for such meeting.

Pursuant to the provisions of the Companies Act, 2013, at least two-thirds of the total numbers of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each AGM. A retiring Director is eligible for re-election. Further, pursuant to the Companies Act, 2013, the Independent Directors may be appointed for a maximum of two consecutive terms of up to five consecutive years each and thereafter have a cooling off period of three years prior to re-appointment. Any re-appointment of Independent Directors shall be on the basis of, *inter alia*, the performance evaluation report and approval by the shareholders of our Company, by way of a special resolution.

The following table sets forth details regarding our Board as of the date of this Preliminary Placement Document:

Sr. No.	Name, Address, Occupation, DIN, Term and Nationality	Age	Designation
1.	**Jayant D. Mhaiskar** ***Address***: Ridhima, IRB Complex, Chandivali Village, Sakivihar Road, Near Gulati Temple, Chandivali Farm, Andheri East, Mumbai-400 072 ***Occupation****:* Business ***Nationality****:* Indian ***Term****:* July 1, 2014 to June 30, 2019. Liable to retire by rotation ***DIN***: 00716351	42	Chairman & Managing Director
2.	**Anuya J. Mhaiskar** ***Address***: Rideema, IRB Complex, Andheri East Chandivali Farm, Raheja Nest Complex, Mumbai-400 072 ***Occupation****:* Business ***Nationality****:* Indian ***Term****:* Liable to retire by rotation ***DIN***: 00707650	40	Non-Executive, Non-Independent Director
3.	**Murzash Manekshana** ***Address***: 402, Odyssey-II, Orchard Avenue, Hiranandani Garden, Powai, Mumbai-400 076 ***Occupation****:* Service ***Nationality****:* Indian ***Term****:* June 1, 2017 to May 31, 2022. Liable to retire by rotation ***DIN***: 00207311	45	Deputy Managing Director

Sr. No.	Name, Address, Occupation, DIN, Term and Nationality	Age	Designation
4.	**Sudha D. Mhaiskar** ***Address***: Manisha Safalya, M.G. Road, Opposite Bhave Sabhagruh, Dombivali (W), Thane-421202 ***Occupation****:* Business ***Nationality****:* Indian ***Term****:* From February 12, 2018 until the next AGM ***DIN***: 00707501	72	Additional Director (Non-Executive, Non-Independent)
5.	**Deepak Chitnis** ***Address***: 5, 1st Floor, V. Pandloskar Marg, Vile Parle (East), Mumbai-400 057 ***Occupation****:* Professional ***Nationality****:* Indian ***Term****:* From September 9, 2016 to September 8, 2021 ***DIN***: 01077724	59	Non-Executive Independent Director
6.	**Khimji Pandav** ***Address***: House No. 7, Park View Co-op Housing Society, Park Avenue, Sector 17, Nerul, Navi Mumbai-400 706 ***Occupation****:* Professional ***Nationality****:* Indian ***Term****:* From September 9, 2016 to September 8, 2021 ***DIN***: 01070944	64	Non-Executive Independent Director
7.	**Vijay Agarwal** ***Address***: 301, S.S. Sadan, Gulmohar Cross Road No.6, Juhu Scheme, Mumbai 400 049 ***Occupation****:* Professional ***Nationality****:* Indian ***Term****:* From September 9, 2016 to September 8, 2019 ***DIN***:00058548	60	Non-Executive Independent Director
8.	**Mira Mehrishi** ***Address***: A-41, Tilak Nagar, Jaipur – 302004, Rajasthan ***Occupation****:* Indian Administrative Service (Retired) ***Nationality****:* Indian ***Term****:* From July 27, 2017 to July 26, 2022. She was appointed as an Additional Director with effect from December 12, 2016 and her appointment was regularized in the AGM dated July 27, 2017.	64	Non-Executive Independent Director

Sr. No.	Name, Address, Occupation, DIN, Term and Nationality	Age	Designation
	DIN:00282074		

Relationship with other Directors

S.No.	Name of the Director	Related to	Nature of Relationship
1.	Jayant D. Mhaiskar	Anuya J. Mhaiskar Sudha D. Mhaiskar	Wife Mother
2.	Anuya J. Mhaiskar	Jayant D. Mhaiskar Sudha D. Mhaiskar	Husband Mother-in-law
3.	Sudha D. Mhaiskar	Jayant D. Mhaiskar Anuya J. Mhaiskar	Son Daughter-in-law

Brief Biographies of the Directors

Jayant D. Mhaiskar is presently the Chairman & Managing Director of our Company. He is one of the founding Directors and Promoter of our Company. He has over 19 years of experience in the Tolling and Infrastructure industry.

Anuya J. Mhaiskar is a Non-Independent, Non-Executive Director of our Company. She was appointed as a Director of our Company on August 19, 2006. She holds a Bachelor's degree in Arts with major in Philosophy from Ramnarain Ruia College, University of Mumbai. She has over 17 years of experience in the field of administration.

Murzash Manekshana is a Deputy Managing Director of our Company. He was appointed as Deputy Managing Director on May 25, 2017 and his term commenced from June 1, 2017. He has been associated with our Company since 2012. He holds a Bachelor's degree in commerce from University of Mumbai. He is a qualified Chartered Accountant. He has over 24 years of work experience, including key leadership roles across multiple industries. He is currently also a director of Altamount Capital Management Private Limited. Prior to joining our Company, he was associated with Halcyon Resources & Management Private Limited, Prudential Process Management Services (India) Private Limited, Ernst & Young and Arthur Andersen & Associates. Murzash Manekshana has experiences in areas of finance and risk management, investment banking, business fraud and investigation services.

Sudha D. Mhaiskar is an Additional Director (Non-Independent, Non-Executive) of our Company. She holds Bachelor's degree in Home science from Shreemati Nathibai Damodar Thackersey College, Mumbai. She has over 40 years of experience in the field of administration.

Deepak Chitnis is a Non-Executive Independent Director of our Company. He was re-appointed as an Independent Director of our Company on September 9, 2016. He holds a Bachelor's degree in science and Master's degree in Law from Mumbai University. He has over 32 years of experience in the field of law.

Khimji Pandav is a Non-Executive Independent Director of our Company. He was re-appointed as an Independent Director of our Company on September 9, 2016. He holds a Bachelor's degree in Commerce from University of Mumbai and is a Fellow Chartered Accountant. Prior to joining our Company, he has served as the Deputy General Manager (Finance) at Maharashtra Electronic Corporation Limited, Director (Finance) at Rural Electrification Corporation Limited and as a General Manager with Videocon Leasing and Finance Limited. He has also held the position of Financial Adviser and Chief Accounts Officer at City & Industrial Development Corporation of Maharashtra Limited and Secretary and Financial Adviser to the Maharashtra State Road Development Corporation Limited.

Vijay Agarwal is a Non-Executive Independent Director of our Company. He was re-appointed as an Independent Director of our Company on September 9, 2016. He holds a Bachelor's degree in Commerce from Jodhpur University and is a Fellow Chartered Accountant. Prior to joining our Company, he was a Partner in R.R. Gupta & Co., Chartered Accountants, Mumbai. He is currently a Partner in Agarwal Vijay & Associates, Chartered Accountants in Mumbai. He has experience of 30 years in cross-border acquisitions and transactions, advising in foreign service collaboration arrangements, providing statutory, management and tax audit services and providing tax advisory services.

Mira Mehrishi is a Non-Executive Independent Director of our Company. She was appointed as an additional Independent Director of our Company on December 12, 2016 and her appointment was regularised in the AGM dated July 27, 2017. She holds a Master's degree in administration provided by British Government as part of its technical co-operation training arrangement, Ministry of State for Foreign and Commercial Affairs and Minister for Overseas Department. She is a retired Indian Administrative Services (IAS) officer and full time member of Chief Minister's Advisory Council of Rajasthan to suggest measures for sustainable, balanced and overall development of State and Vice Chairman, Amer Development and Management Authority. She has an experience of approximately 47 years in administration.

Borrowing Powers of our Board

Our Company has, pursuant to the special resolution passed by the shareholders in the AGM of our Company held on July 27, 2017, resolved that in accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow, from time to time, any sum or sums of money as it may deem proper for our Company's business, which, together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business), may exceed the aggregate, for the time being, of the paid-up share capital of our Company and its free reserves, provided that the total amount of money or monies so borrowed by our Board and remaining outstanding shall not, at any time, exceed the limit of ₹ 30,000 million in excess of and in addition to the paid-up share capital and free reserves of our Company for the time being.

Interest of the Directors

The Independent Directors may be interested to the extent of fees payable to them and/or the commission payable to them for attending meetings of the Board of Directors or a committee thereof.

Jayant D. Mhaiskar has an interest in the promotion of our Company. The Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by or allotted to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue. All of the Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares, if any.

Our Company has made an advance payment of ₹275 million to our corporate Promoter ITIPL for purchase of office premises adjacent to our Registered Office and Corporate Office. The conveyance of such premises has not yet been completed. Further, our Subsidiary, MIPL has provided an unsecured loan amounting to ₹3,750 million to one of our Promoters, ITIPL. As on December 31, 2017, the outstanding amount of the loan was ₹ 3,300 million. For further details, see "Financial Statements" on page 244. Other than as stated above, the Directors have no interest in any property acquired or proposed to be acquired by our Company within the preceding two years from the date of this Preliminary Placement Document. Except as disclosed in the section "Related Party Transactions" on page 185, our directors have no interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Shareholding of Directors

The following table sets forth the shareholding of the Directors in our Company as on the date of this Preliminary Placement Document:

Name of Director	Number of Equity Shares held	% of shareholding
Jayant D. Mhaiskar	14,258,546	8.77
Anuya J. Mhaiskar	12,372,252	7.61
Sudha D. Mhaiskar	14,998,591	9.23
Murzash Manekshana	23,143	0.01
Deepak Chitnis	Nil	Nil
Khimji Pandav	Nil	Nil
Vijay Agarwal	Nil	Nil
Mira Mehrishi	Nil	Nil

Terms of appointment of the Executive Directors

1. **Jayant D. Mhaiskar**

Pursuant to a shareholders resolution passed at the AGM dated August 14, 2014, Jayant D. Mhaiskar was confirmed as the Vice Chairman & Managing Director of our Company with effect from May 21, 2014 and the remuneration payable to him for a period of five years with effect from July 1, 2014. He has been re-designated as the Chairman & Managing Director of the Company with effect from February 12, 2018. The terms and conditions of his appointment as the Managing Director of the Company remain unchanged. The following are the terms of remuneration of Jayant D. Mhaiskar:

Particulars	Remuneration
Basic Salary	₹ 12 million p.a.

Particulars	Remuneration
Commission	Nil
Perquisites	Nil
Others	Provident fund, medical reimbursement, leave travel concession, bonus, gratuity and leave encashment in accordance with the rules of Company and subject to provision of respective statutory enactment.

2. Murzash Manekshana

Pursuant to a resolution passed at the meeting of our Board on May 25, 2017, AGM dated July 27, 2017 and agreement for appointment of Deputy Managing Director dated May 25, 2017, Murzash Manekshana was appointed as the Deputy Managing Director of our Company with effect from June 1, 2017 for a period of five years. The following are the terms of remuneration of Murzash Manekshana:

Particulars	Remuneration
Basic Salary	₹ 30 million p.a.
Commission	Nil
Perquisites	Nil
Others	Provident fund, medical reimbursement, leave travel concession, bonus, gratuity and leave encashment in accordance with the rules of Company and subject to provision of respective statutory enactment.

Compensation to the Non-Executive Directors

The Non-Executive Independent Directors are paid remuneration consisting of sitting fees as determined by our Board. Presently, pursuant to the resolution passed by the Board on August 4, 2015, the Non-Executive Independent Directors on our Board are entitled to sitting fees of ₹ 15,000 for attending each meeting of our Board and ₹10,000 for attending any Committee thereof.

The following tables set forth the compensation paid by our Company to the current Non-Executive Independent Directors of our Company during the current financial year and relevant period for the Fiscal 2017, Fiscal 2016 and Fiscal 2015. Our Non-Executive Independent Directors are not paid any remuneration except for sitting fees. The sitting fees and commissions paid / payable to our current Non- Executive Independent Directors for the Fiscal Years 2017, 2016 and 2015 are as follows:

Fiscal 2018 (As on date):

(in ₹ million)

Name of the Director	Commission	Sitting Fees
Deepak Chitnis	Nil	0.13
Khimji Pandav	Nil	0.12
Vijay Agarwal	Nil	0.075
Mira Mehrishi	Nil	0.045

Fiscal 2017:

(in ₹ million)

Name of the Director	Commission	Sitting Fees
Deepak Chitnis	Nil	0.13
Khimji Pandav	Nil	0.12
Vijay Agarwal	Nil	0.09
Mira Mehrishi	Nil	0.03

Fiscal 2016:

(in ₹ million)

Name of the Director	Commission	Sitting Fees
Deepak Chitnis	Nil	0.12
Khimji Pandav	Nil	0.16
Vijay Agarwal	Nil	0.16

Fiscal 2015:

(in ₹ million)

Name of the Director	Commission	Sitting Fees
Deepak Chitnis	Nil	0.03
Khimji Pandav	Nil	0.05
Vijay Agarwal	Nil	0.06

Compensation to the Executive Directors

The following tables set forth the details of remuneration paid by our Company to the Executive Directors of our Company during current financial year and the relevant period for Fiscal Year 2017, Fiscal Year 2016, and Fiscal Year 2015:

Fiscal 2018 (As on January 31, 2018):

(in ₹ million)

Name of the Director	Basic salary (including house rent allowance)	Perquisites (Value of pre requisites under section 17(2) of the Income Tax Act, 1961)	Other (Commission as % of profit)	Total
Jayant D. Mhaiskar	10.00	-	-	10.00
Murzash Manekshana	23.04	-	-	23.04

Fiscal 2017:

(in ₹ million)

Name of the Director	Basic salary (including house rent allowance)	Perquisites (Value of pre requisites under section 17(2) of the Income Tax Act, 1961)	Other (Commission as % of profit)	Total
Jayant D. Mhaiskar	12.00	-	-	12.00
Murzash Manekshana	12.00	-	-	12.00

Fiscal 2016:

(in ₹ million)

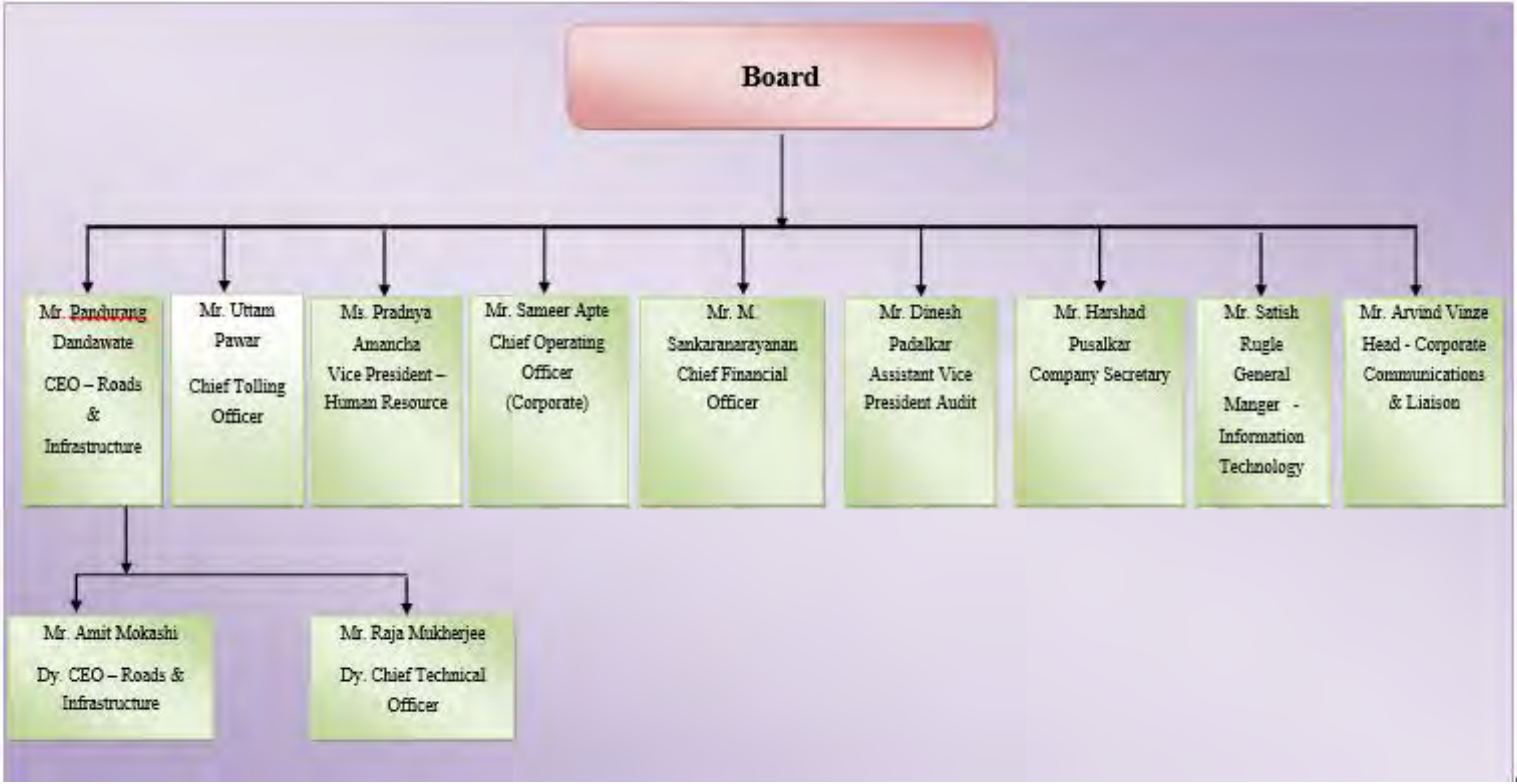
Name of the Director	Basic salary (including house rent allowance)	Perquisites (Value of pre requisites under section 17(2) of the Income Tax Act, 1961)	Other (Commission as % of profit)	Total
Jayant D. Mhaiskar	13.00	-	-	13
Murzash Manekshana	12.64	-	-	12.64

Fiscal 2015:

(in ₹ million)

Name of the Director	Basic salary (including house rent allowance)	Perquisites (Value of pre requisites under section 17(2) of the Income Tax Act, 1961)	Other (Commission as % of profit)	Total
Jayant D. Mhaiskar	9.00	-	-	9.00
Murzash Manekshana	15.00	-	-	15.00

Organisation Chart of our Company



Key Management Personnel

In addition to our Chairman and Executive Directors, the Key Management Personnel of our Company as on the date of this Preliminary Placement Document are as set forth below:

Uttam Pawar is the Chief Tolling Officer of the Group and oversees the entire tolling operations of the Group. He joined our Subsidiary, MEP Toll Road Private Limited, on April 7, 2010. He holds a Bachelor's degree in Commerce from Shivaji University, Kolhapur. He has over 27 years of experience in the Tolling business. Prior to joining our Company, he was associated with Ideal Road Builders Private Limited.

Sameer Apte is the Chief Operating Officer - Corporate of the Group and supervises the financial aspects of the tolling operations of the Group. He joined our Subsidiary, MIPL on January 1, 2011. He has been associated with our Company from January, 2017. He holds a Bachelor's degree in Commerce from University of Mumbai. He has over 17 years of experience in tolling operations. Prior to joining our Subsidiary, he was associated with Ideal Toll & Infrastructure Private Limited and Ideal Road Builders Private Limited.

M. Sankaranarayanan is the Chief Financial Officer of our Company. He joined our Company on May 13, 2013. He is a qualified Chartered Accountant and Company Secretary and also holds a Diploma in Information Systems Audit from the ICAI. He is also a fellow member of the ICAI. He has over 18 years of experience in the field of finance, accounting, audit and taxation. Prior to joining our Company, he was associated with SKS Ispat and Power Limited, Hotel Leelaventure Limited and was a partner of M. Srinivasan & Associates, Chartered Accountants, Chennai.

Raja Mukherjee is the Deputy Chief Technical Officer of our Company. He joined our Company on July 1, 2016. He holds a Bachelor's degree in Civil Engineering from Osmania University, Hyderabad and Honours degree on Levelling (both theoretical and practical) from South India Technical & Commercial Survey College, Kolaghat, Midnapore. He has been awarded certificate in 'first aid' from St. John Ambulance Association. He has also completed Master's program in Business Administration from IIBM Institute of Business Management and a professional program in Airport and Airline Systems: Planning, Design and Management Lavasa, Pune from Massachusetts Institute of Technology. Prior to joining our Company, he has worked at Gammon Infrastructure Projects Limited.

Pandurang Balkrishna Dandawate is the Chief Executive Officer – Roads and Infrastructure of our Company. He joined our Company on November 1, 2016. He holds a Bachelor's degree in Engineering – Civil from College of Engineering, Marathwada University, Aurangabad. Maharashtra. Prior to joining our Company, he has worked at Dhruv Consultancy Services Private Limited.

Dinesh Padalkar is the Assistant Vice President- Audit of the Group. He also heads the traffic surveys and analytic departments for the Group. He joined our Company on August 11, 2002. He holds a Bachelor's degree in Commerce from University of Mumbai. He has over 17 years of experience in audit. Prior to joining our Company, he was associated with IRB Infrastructure Developers Limited, Yash Jewellers and JAN Transport.

Arvind Vinze is the Head - Corporate Communication and Liaison of the Group. He joined our Company on January 1, 2012. He holds a Bachelor's degree in Science from the University of Mumbai, a Master's degree in Journalism (Communication) from Dr. Harisingh Gaur Vishvavidyalaya and a Diploma in Financial Management from the University of Mumbai. He has approximately 29 years of experience. Prior to joining our Company, he was associated with Ideal Toll & Infrastructure Private Limited, Mumbai Metro One Private Limited, Mumbai Doordarshan and Pradeep Metal Treatment Chemicals Private Limited.

Amit Mokashi is the Deputy Chief Executive Officer – Roads and Infrastructure of our Company. He joined our Company on July 1, 2016. He holds a Bachelor's degree in Engineering (Construction Engineering) and a Master's degree in Financial Management from the University of Mumbai. He also holds a Post Graduate Diploma in Construction Management from the National Institute of Construction Management and Research. Prior to joining our Company, he has worked at Gammon Infrastructure Projects Limited.

Harshad Pusalkar is the Head Compliance and Company Secretary of our Company. He was associated with the ITIPL since August, 2015. He joined our Company on May 5, 2017. He is Company Secretary and an associate member of the Institute of Company Secretaries of India. He holds a Bachelor's degree in Commerce and LL.B. degree from the University of Mumbai and a Master's degree in Business Law from the National Law School of India University, Bangalore. He has an experience of approximately nine years. Prior to joining our Company in 2015, he was associated with Sejal Glass Limited, Hawkins Cookers Limited and Ideal Toll & Infrastructure Private Limited.

Pradnya Amancha is the Vice President – Human Resource of our Company. She joined our Company on August 7, 2006. She holds a Bachelor's degree in Commerce from Mumbai University and Post Graduate diploma in Human Resource Management from NMIMS University. Prior to joining our Company, she has worked at Technova Imaging System Limited and Quality Inn Parle International.

Satish Rugle is the General Manager – Information Technology of our Company. He joined our Company on September 1, 2009. He holds a Diploma in Industrial Electronics from Mumbai University. He also holds a Diploma in Computer Studies from NCC The National Centre for Information Technology, UK. He has completed course in Software Testing from College of Engineering, Pune. Prior to joining our Company, he has worked at R. B. Constructions and Exelcon Systems.

The Key Management Personnel are permanent employees of the Company.

Shareholding of Key Management Personnel

Except as stated below, as of the date of this Preliminary Placement Document, none of the Key Management Personnel hold any Equity Shares:

Name of Key Management Personnel	Number of Equity Shares held	% of shareholding
Uttam Pawar	15,450	0.009
Sameer Apte	27,925	0.017
Arvind Vinze	10,000	0.006
M. Sankaranarayanan	10	Negligible
Dinesh Shashikant Padalkar	100	Negligible
Amit Mokashi	225	Negligible

Interests of Key Management Personnel

The Key Management Personnel of our Company does not have any other interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per the terms of appointment and reimbursement of expenses incurred by him during the ordinary course of business.

Except Uttam Pawar, who had availed loan of ₹1.2 million from our Company on November 12, 2011 and the outstanding amount being ₹1.02 million as on December 31, 2017, no Directors or Key Management Personnel of our Company has availed any loan from our Company.

Corporate Governance

Our Board presently consists of 8 Directors. In compliance with the requirements of the SEBI Listing Regulations, our Board consists of four Non-Executive Independent Directors.

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI Regulations, in respect of corporate governance, including constitution of our Board and Committees thereof. The corporate governance framework is based on an effective independent Board, separation of our Board's supervisory role from the executive management team and constitution of our Board/Committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company's executive management provides our Board detailed reports on its performance periodically.

Committees of our Board of Directors

Our Board has constituted Committees, which have been constituted and function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations:

The Committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Corporate Social Responsibility Committee; and (v) Risk Management Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Preliminary Placement Document:

S. No.	Committee	Members
1.	Audit Committee	Khimji Pandav (*Chairman)* Vijay Agarwal Deepak Chitnis Jayant D. Mhaiskar
2.	Nomination and Remuneration Committee	Deepak Chitnis (*Chairman)* Khimji Pandav Anuya J. Mhaiskar Mira Mehrishi
3.	Stakeholders' Relationship Committee	Anuya J. Mhaiskar (*Chairperson)* Jayant D. Mhaiskar Murzash Manekshana
4.	Corporate Social Responsibility Committee	Anuya J. Mhaiskar (*Chairperson)* Murzash Manekshana Deepak Chitnis
5.	Risk Management Committee	Jayant D. Mhaiskar (*Chairman)* Anuya J. Mhaiskar Murzash Manekshana M. Sankaranarayanan Dinesh Padalkar

Other Confirmations

None of the Directors, Promoters or Key Management Personnel of our Company has any financial or other material interest in the Issue and there is no effect of such interest as is different from the interest of other persons.

Neither our Company, nor the Directors or Promoters have ever been identified as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI.

Neither our Company, nor the Directors or Promoters have been debarred from accessing capital markets under any order or direction made by SEBI.

Policy on disclosures and internal procedure for prevention of insider trading

Regulation 9 of the Insider Trading Regulations applies to our Company and its employees and requires our Company to implement a code of internal procedures and conduct for the prevention of insider trading. Our Company has implemented a code of conduct for prevention of insider trading in accordance with the Insider Trading Regulations, as per which, the Company Secretary of our Company is the Compliance Officer of our Company for the purposes of this code.

Related Party Transactions

For details in relation to the related party transactions entered by our Company during the last three Financial Years immediately preceding the year of circulation of this Preliminary Placement Document, see "Financial Statements" on page 244.

PRINCIPAL SHAREHOLDERS

I. The following table sets forth the details regarding the shareholding pattern of our Company, as submitted to NSE, as on December 31, 2017:

Category of shareholder	Nos. of share-holders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
					No.(a)	As a % of total Shares held(b)	No.(a)	As a % of total Shares held(b)	
(A) Promoter & Promoter Group	22	11,35,89,813	11,35,89,813	69.87	3,25,13,839	28.62	4,49,24,632	39.55	11,35,89,813
(B) Public	17,056	4,89,79,378	4,89,79,378	30.13		0.00		0.00	4,89,79,348
(C1) Shares underlying DRs				0.00		0.00		0.00	
(C2) Shares held by Employee Trust				0.00		0.00		0.00	
(C) Non Promoter-Non Public				0.00		0.00		0.00	
Grand Total	17,078	16,25,69,191	16,25,69,191	100.00	3,25,13,839	20.00	4,49,24,632	27.63	16,25,69,161

Note: *C=C1+C2; Grand Total=A+B+C*

II. The following table sets forth the details regarding the shareholding of the Promoter and Promoter Group as on December 31, 2017:

Category of shareholder	Nos. of share-holders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
					No.(a)	As a % of total Shares held (b)	No.(a)	As a % of total Shares held(b)	
A1) Indian									
Individuals/ Hindu undivided Family	16	5,36,49,406	5,36,49,406	33.00	85,51,342	15.94	3,24,24,632	60.44	5,36,49,406
Dattatray P. Mhaiskar	-	1,14,48,589	1,14,48,589	7.04	85,51,342	74.69		0.00	1,14,48,589
Jayant Dattatray Mhaiskar	-	1,42,58,546	1,42,58,546	8.77		0.00	1,41,20,198	99.03	1,42,58,546
Anuya Jayant Mhaiskar	-	1,23,72,252	1,23,72,252	7.61		0.00	1,16,13,300	93.87	1,23,72,252

Category of shareholder	Nos. of share-holders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
					No.(a)	As a % of total Shares held (b)	No.(a)	As a % of total Shares held(b)	
Sudha Dattatray Mhaiskar	-	1,49,98,591	1,49,98,591	9.23		0.00	62,50,000	41.67	1,49,98,591
Vidyalaxmi Vijay Kshirsagar	-	5,71,428	5,71,428	0.35		0.00	4,41,134	77.20	5,71,428
Any Other (specify)	6	5,99,40,407	5,99,40,407	36.87	2,39,62,497	39.98	1,25,00,000	20.85	5,99,40,407
Bodies Corporate	6	5,99,40,407	5,99,40,407	36.87	2,39,62,497	39.98	1,25,00,000	20.85	5,99,40,407
A J Tolls Private Limited	-	3,00,00,000	3,00,00,000	18.45		0.00	1,25,00,000	41.67	3,00,00,000
Ideal Toll & Infrastructure Private Ltd.	-	2,99,40,407	2,99,40,407	18.42	2,39,62,497	80.03		0.00	2,99,40,407
Sub Total A1	22	11,35,89,813	11,35,89,813	69.87	3,25,13,839	28.62	4,49,24,632	39.55	11,35,89,813
A2) Foreign	-			0.00		0.00		0.00	
A=A1+A2	22	11,35,89,813	11,35,89,813	69.87	3,25,13,839	28.62	4,49,24,632	39.55	11,35,89,813

III. The following table sets forth the details regarding the shareholding of persons belonging to the public category as on December 31, 2017:

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No of Voting Rights	Total as a % of Total Voting right	Number of Locked in shares		Number of equity shares held in dematerialized form
							No.(a)	As a % of total Shares held(b)	
B1) Institutions									
Mutual Funds/	3	1,40,33,486	1,40,33,486	8.63	1,40,33,486	8.63		0.00	1,40,33,486
HDFC Trustee Company Limited-HDFC Prudence Fund	-	80,83,148	80,83,148	4.97	80,83,148	4.97			80,83,148
HDFC Trustee Company Limited – HDFC MF Monthly Income Plan – Long Term Plan	-	40,00,000	40,00,000	2.46	40,00,000	2.46			40,00,000
HDFC Trustee Company Limited –	-	19,50,338	19,50,338	1.2	19,50,338	1.2			19,50,338

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No of Voting Rights	Total as a % of Total Voting right	Number of Locked in shares		Number of equity shares held in dematerialized form
							No.(a)	As a % of total Shares held(b)	
HDFC Infrastructure Fund									
Foreign Portfolio Investors	9	15,97,077	15,97,077	0.98	15,97,077	0.98		0.00	15,97,077
Financial Institutions/ Banks	2	1,88,534	1,88,534	0.12	1,88,534	0.12		0.00	1,88,534
Sub Total B1	14	1,58,19,097	1,58,19,097	9.73	1,58,19,097	9.73		0.00	1,58,19,097
2) Central Government/ State Government(s)/ President of India	0	0		0.00		0.00		0.00	
3) Non-Institutions	0	0		0.00		0.00		0.00	
3(A) Individuals	15715	1,50,60,972	1,50,60,972	9.26	1,50,60,972	9.26			1,50,60,942
Individual share capital up to Rs. 2 Lacs	15635	83,43,843	83,43,843	5.13	83,43,843	5.13		0.00	83,43,813
Individual share capital in excess of Rs. 2 Lacs	80	67,17,129	67,17,129	4.13	67,17,129	4.13		0.00	67,17,129
Any Other (specify)	1327	1,80,99,309	1,80,99,309	11.13	1,80,99,309	11.13		0.00	1,80,99,309
HUF	468	5,29,105	5,29,105	0.33	5,29,105	0.33		0.00	5,29,105
NRI	189	15,41,887	15,41,887	0.95	1,541,887	0.95		0.00	154,1887
Other	2	29,73,143	29,73,143	1.83	29,73,143	1.83		0.00	29,73,143
Geeta M. Manekshana		29,50,000	29,50,000	1.81	29,50,000	1.81		0.00	29,50,000
Clearing Members	305	28,43,575	28,43,575	1.75	28,43,575	1.75		0.00	28,43,575
Bodies Corporate	363	102,11,599	1,02,11,599	6.28	1,02,11,599	6.28		0.00	1,02,11,599
IL & FS Securities Services Limited		16,55,232	16,55,232	1.02	16,55,232	1.02		0.00	16,55,232
Sub Total B3	17042	3,31,60,281	3,31,60,281	20.39	3,31,60,281	20.39		0.00	3,31,60,251
B=B1+B2+B3	17056	4,89,79,378	4,89,79,378	30.12	4,89,79,378	30.12		0.00	4,89,79,348
Details of the shareholders acting as persons in Concert including their Shareholding (No. and %): Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.									

IV. The following table sets forth the details regarding the shareholding of the non-promoter non-public shareholders as on December 31, 2017:

Category & Name of the Shareholders(I)	No. of shareholder(III)	No. of fully paid up equity shares held(IV)	Total no. shares held(VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Locked in shares(XII)		Number of equity shares held in dematerialized form(XIV)(Not Applicable)
					No	As a % of total Shares held	
C1) Custodian/DR Holder	0	0		0.00		0.00	
C2) Employee Benefit Trust	0	0		0.00		0.00	

V. Details of disclosure made by the Trading Members holding 1% or more of the total no. of shares of our Company as on December 31, 2017: N.A.

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the application, payment, Allocation and Allotment of the Equity Shares to the Issue. The procedure followed in the Issue may differ from the one mentioned below, and the prospective investors are presumed to have apprised themselves of any such changes from our Company or the Book Running Lead Managers. The prospective investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. The prospective investors that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Book Running Lead Managers and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company and the Book Running Lead Managers, and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any prospective investor on whether such prospective investor is eligible to acquire the Equity Shares. The prospective investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. For further details, see "Selling Restrictions" and "Transfer Restrictions" on pages 202 and 209, respectively.

Qualified Institutions Placement

The Issue is being made to QIBs in reliance upon Chapter VIII of the SEBI Regulations and Sections 42 of the Companies Act 2013 and the rules issued thereunder, through the mechanism of a QIP. Under Chapter VIII of the SEBI Regulations and Sections 42 of the Companies Act 2013 read with Rule 14 of the PAS Rules, a company may issue equity shares to QIBs provided that certain conditions are met by the company. Some of these conditions are set out below:

- the shareholders of the issuer have passed a special resolution approving such QIP. Such special resolution must specify (a) that the allotment of securities is proposed to be made pursuant to the QIP; and (b) the Relevant Date;

- equity shares of the same class of such issuer, which are proposed to be allotted through the QIP, are listed on a recognised stock exchange in India having nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the above-mentioned special resolution;

- the aggregate of the proposed issue and all previous QIPs made by the issuer in the same financial year does not exceed five times the net worth (as defined in the SEBI Regulations) of the issuer as per the audited balance sheet of the previous financial year;

- the issuer shall have completed allotments with respect to any prior offer or invitation made earlier by the issuer and shall have withdrawn or abandoned any such invitation or offer made by the issuer;

- the issuer shall offer to each allottee at least such number of the securities in the issue which would aggregate to at least ₹ 20,000 calculated at the face value of the securities;

- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- prior to circulating the private placement offer letter, the issuer must prepare and record a list of QIBs to whom the offer will be made. The offer must be made only to such persons whose names are recorded by the issuer prior to the invitation to subscribe;

- the offer must be made through a private placement offer letter and an application form serially numbered and addressed specifically to the QIB to whom the offer is made, and sent within 30 days of recording the names of such QIBs;

- the payment to be made for subscription to the Equity Shares shall be made from the bank account of the person subscribing to such securities and in case of securities to be held by joint holders, the payment for subscription to the securities shall be paid from the bank account of the person whose name appears first in the application;

- at least 10% of the equity shares issued to QIBs must be allotted to Mutual Funds, provided that, if such portion to be allotted to Mutual Funds, or any part thereof, remains unsubscribed, it may be allotted to other QIBs;

- investors are not allowed to withdraw their Bids after the Bid/Issue Closing Date;

- additionally, there is a minimum pricing requirement under the SEBI Regulations. The floor price of the equity shares issued under the QIP shall not be less than the average of the weekly high and low of the closing prices of the issuer's equity shares of the same class quoted on the stock exchange during the two weeks preceding the relevant date. However, a discount of up to 5% of the floor price is permitted in accordance with the provisions of the SEBI Regulations. The Floor Price per Equity Share is ₹81.49. Our Board through its resolution dated May 25, 2017 and the

Shareholders through its resolution via postal ballot on July 27, 2017, has authorised the Board or its committee to decide the quantum of discount up to 5% of the Floor Price at the time of determination of the Issue Price;

- securities allotted to a QIB pursuant to a QIP shall not be sold for a period of one year from the date of allotment except on the floor of a recognised stock exchange in India. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements;

- the offering of securities by issue of public advertisements or utilization of any media, marketing or distribution channels or agents to inform the public about the issue is prohibited; and

- the "relevant date" referred to above, for Allotment, will be the date of the meeting in which the Board or the committee of directors duly authorised by the board decides to open the Issue and "stock exchange" means any of the recognised stock exchanges in India on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares have been recorded during the two weeks immediately preceding the relevant date.

Equity Shares must be allotted within 12 months from the date of the shareholders' resolution approving the QIP and also within 60 days from the date of receipt of subscription money from the successful Bidders. For details of refund of application money, see "Issue Procedure – Pricing and Allocation – Designated Date and Allotment of Equity Shares" on page 198.

The Equity Shares issued pursuant to the QIP must be issued on the basis of this Preliminary Placement Document and the Placement Document that shall contain all material information including the information specified in Schedule XVIII of the SEBI Regulations and the requirements prescribed under Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select prospective investors through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to QIBs and no offer is being made to the public or to any other category of prospective investors.

The minimum number of allottees for each QIP shall not be less than:

- two, where the issue size is less than or equal to ₹ 2,500 million; and

- five, where the issue size is greater than ₹ 2,500 million.

No single allottee shall be allotted more than 50% of the issue size or less than ₹ 20,000 of face value of Equity Shares. QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee. For details of what constitutes "same group" or "common control", see "- Application Process - Application Form" on pages 195 to 199.

Our Company has applied for and received the in-principle approvals dated March 22, 2018 of BSE and NSE, respectively under Regulation 28(1) of the SEBI Listing Regulations for the listing of the Equity Shares on the Stock Exchanges. Our Company has also delivered a copy of this Preliminary Placement Document to the Stock Exchanges.

Our Company shall also make the requisite filings with the RoC, Stock Exchanges and the SEBI within the stipulated period as required under applicable laws, including the Companies Act, 2013 and the PAS Rules, with respect to the Issue.

The Issue has been authorized by (i) our Board pursuant to a resolution passed on May 25, 2017; and (ii) the shareholders of our Company through the resolution passed on July 27, 2017.

Equity Shares allotted to QIBs pursuant to the Issue shall not be sold for a period of one year from the date of the Allotment, except on the floor of the Stock Exchanges.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons who are qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act) pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act, and (b) outside the United States in offshore transactions in reliance on Regulation S or pursuant to another exemption from, or in transactions not subject to, the registration requirements of the U.S. Securities Act. The Equity Shares are transferable only in accordance with the restrictions described under the sections "Selling Restrictions" and "Transfer Restrictions" on pages 202 and 209, respectively.

Issue Procedure

1. Our Company and the Book Running Lead Managers shall identify QIBs and shall circulate serially numbered copies of this Preliminary Placement Document and serially numbered Application Forms, either in electronic or physical form to QIBs, and the Application Form, will be specifically addressed to such QIBs. In terms of Section 42(7) of the

Companies Act 2013, our Company shall maintain complete records of the QIBs to whom the Preliminary Placement Document and the serially numbered Application Form have been dispatched. Our Company will make the requisite filings with the RoC and the SEBI within the stipulated time period as required under the Companies Act 2013 and the PAS Rules.

2. **The list of QIBs to whom the Application Form is delivered shall be determined by the Company in consultation with the Book Running Lead Managers. Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form is addressed to a particular QIB, no invitation to subscribe shall be deemed to have been made to such QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. The issuer shall offer to each allottee such number of the securities in the issue which would aggregate to at least ₹20,000 calculated at the face value of the securities;

4. QIBs may submit an Application Form, including any revisions thereof, during the Bidding Period to the Book Running Lead Managers.

5. QIBs will be, *inter alia*, required to indicate the following in the Application Form:

   - full official name of the QIB to whom Equity Shares are to be Allotted;

   - number of Equity Shares Bid for;

   - price at which they are agreeable to subscribe for the Equity Shares, provided that QIBs may also indicate that they are agreeable to submit a Bid at "Cut-off Price"; which shall be any price as may be determined by our Company in consultation with the Book Running Lead Managers at or above the Floor Price or the Floor Price net of such discount as approved in accordance with the SEBI Regulations. Our Company may offer up to 5% discount to the floor price in accordance with the proviso of Regulation 85(1) of the SEBI Regulations;

   - PAN; along with a copy of the PAN card or PAN allotment letter;

   - details of the depository account to which the Equity Shares should be credited; and

   - a representation that it is either (i) outside the United States acquiring the Equity Shares in an offshore transaction under Regulation S, or (ii) a "qualified institutional buyer" as defined in Rule 144A, and it has agreed to certain other representations set forth in the Application Form.

6. Once a duly completed Application Form is submitted by a QIB, such Application Form constitutes an irrevocable offer and cannot be withdrawn after the Bid/Issue Closing Date. The Bid/Issue Closing Date shall be notified to the Stock Exchanges and the QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple, Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. The Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

8. Each sub-account of an FPI other than a sub-account which is a foreign corporate or a foreign individual will be considered as an individual QIB and separate Application Forms would be required from each such sub-account for submitting Bids. FPIs or sub-accounts of FPIs are required to indicate SEBI FPI/ sub-account registration number in the Application Form.

9. Upon receipt of the Application Form, after the Bid/Issue Closing Date, our Company shall determine the final terms, including the Issue Price and the number of Equity Shares to be issued pursuant to the Issue in consultation with the Book Running Lead Managers. Our Company shall intimate the Stock Exchanges about the meeting to decide the Issue Price two clear working days in advance (excluding the date of intimation and the date of the meeting). Our Company shall notify the Stock Exchanges of the Issue Price, once determined. Upon determination of the final terms of the Equity Shares and the QIBs to whom Allocation shall be made. The Book Running Lead Managers will send the serially numbered CAN along with the serially numbered Placement Document to the QIBs who have been Allocated the Equity Shares either in electronic form or by physical delivery. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the QIBs to pay the entire Issue Price for all the Equity Shares Allocated

to such QIB. The CAN shall contain details such as the number of Equity Shares Allocated to the QIBs, payment instructions including the details of the amounts payable by the QIB for Allotment of the Equity Shares in its name, and the Pay-In Date as applicable to the respective QIB. **Please note that the Allocation will be at the absolute discretion of our Company and will be based on the recommendation of the Book Running Lead Managers.**

10. No payment shall be made by QIBs in cash. Please note that any payment of application monies for the Equity Shares shall be made from the bank accounts of the relevant QIBs applying for the Equity Shares. Monies payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Pending allotment, all monies received for subscription to the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilized only for the purposes permitted under the Companies Act, 2013.

11. Pursuant to receiving a CAN, each QIB shall be required to make the payment of the entire application monies for the Equity Shares indicated in the CAN at the Issue Price, only through electronic transfer to our Company's designated bank account by the Pay-In Date as specified in the CAN sent to the respective QIBs.

12. Upon receipt of the application monies from the QIBs, our Company shall Allot Equity Shares as per the details in the CAN to the QIBs. Our Company will intimate the details of the Allotment to the Stock Exchanges.

13. After passing the resolution for Allotment and prior to crediting the Equity Shares into the depository participant accounts of the successful Bidders, our Company shall apply to the Stock Exchanges for listing approvals.

14. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the Depository Participant accounts of the respective Allottees in accordance with the details submitted by the QIBs in the Application Forms.

15. Our Company will then apply for the final trading approvals from the Stock Exchanges.

16. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

17. Upon receipt of intimation of final trading and listing approval from the Stock Exchanges, our Company shall inform the Allottees of the receipt of such approval. Our Company and the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Final listing and trading approvals granted by the Stock Exchanges are also placed on their respective websites. QIBs are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Qualified Institutional Buyers

Only QIBs as defined in Regulation 2(1)(zd) of the SEBI Regulations and not otherwise excluded pursuant to Regulation 86(1)(b) of the SEBI Regulations are eligible to invest under Regulation 86(1)(b) of the SEBI Regulations, no Allotment shall be made, either directly or indirectly, to any QIB who is a Promoter or any person related to the Promoters. Currently, under Regulation 2(1)(zd) of the SEBI Regulations, a QIB means:

- public financial institutions as defined in Section 4A of the Companies Act 1956 (and the corresponding Section 2(72) of the Companies Act 2013);
- scheduled commercial banks;
- Mutual Funds registered with SEBI;
- Eligible FPIs;
- multilateral and bilateral development financial institutions;
- venture capital funds registered with the SEBI;
- foreign venture capital investors registered with the SEBI;
- alternate investment funds registered with the SEBI
- state industrial development corporations;
- insurance companies registered with Insurance Regulatory and Development Authority;

- provident funds with minimum corpus of ₹250 million;
- pension funds with minimum corpus of ₹250 million;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India; and
- systemically important non-banking financial companies. (It means a non-banking financial company registered with the RBI and having a net-worth of more than ₹ 5,000 million as per the last audited financial statements)
- FPIs (other than a sub-account which is a foreign corporate or a foreign individual) are permitted to participate in the Issue through FEMA Regulations and the foreign portfolio investment scheme, respectively, subject to compliance with all applicable laws and such that the shareholding of the FPIs does not exceed specified limits as prescribed under applicable laws in this regard.
- As on December 31, 2017, the aggregate FPI holding is 0.98% of our total paid up capital.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) shall be less than 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of a company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of a company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the board of directors followed by a special resolution passed by the shareholders and subject to prior intimation to the RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The existing individual and aggregate investment limits for an FPI in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

Eligible non-resident QIBs can participate in the Issue under Schedule 1 of the FEMA Regulations.

Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws, and such that their shareholding does not exceed specified limits as prescribed under applicable laws in this regard and subject to compliance with the conditions and restrictions that may be specified by the any governmental, regulatory or statutory authority from time to time.

Allotment made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements.

In terms of FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Restriction on Allotment

Under Regulation 86(1)(b) of the SEBI Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being, or any person related to, the promoter. QIBs which have all or any of the following rights shall be deemed to be persons related to the promoter:

- rights under a shareholders' agreement or voting agreement entered into with the promoter or persons related to the promoter;
- veto rights; or
- a right to appoint any nominee director on our Board.

Provided, however, that a QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoter.

Our Company or the Book Running Lead Managers or any of their respective directors, officers, counsels, advisors, representatives, agents or affiliates are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single Application Form from them does not exceed the investment limits or maximum number of Equity Shares that

can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, QIBs are required to satisfy themselves that any requisite compliance pursuant to this Allotment such as public disclosures under applicable laws is complied with. QIBs are advised to consult their advisers in this regard. Furthermore, QIBs are required to satisfy themselves that their Application Form would not eventually result in triggering a tender offer under the Takeover Regulations.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. If no Mutual Fund is agreeable to take up the minimum portion as specified above, such minimum portion or part thereof may be Allotted to other QIBs.

Note: *Affiliates or associates of the Book Running Lead Managers who are QIBs may participate in the Issue in compliance with the applicable laws.*

Application Process

Application Form

QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the Book Running Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, the QIB will be deemed to have made the following representations and warranties, and the representations, warranties and agreements made under the sections "Notice to Investors", "Representations by Investors", "Selling Restrictions" and "Transfer Restrictions" on pages 1, 3, 202, and 209:

1. The QIB confirms that it is a QIB in terms of Regulation 2(1)(zd) of the SEBI Regulations, has a valid and existing registration under the applicable laws in India, and is eligible to participate in this Issue;

2. The QIB confirms that it is not excluded under Regulation 86 of the SEBI Regulations and that it is not a Promoter and is not a person related to any of the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoters or Promoter Group or persons related to the Promoters;

3. The QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the promoter or persons related to the promoter, no veto rights or right to appoint any nominee director on our Board other than those acquired in the capacity of a lender (not holding any Equity Shares) which shall not be deemed to be a person related to the promoter;

4. it confirms that:

    (i) If it is within the United States, it is a U.S. QIB who is, or are acquiring the Equity Shares for its own account or for the account of an institutional investor who also meets the requirement of a U.S. QIB, for investment purposes only and not with a view to, or for resale in connection with, the distribution (within the meaning of any United States securities laws) thereof, in whole or in part and are not our affiliate or a person acting on behalf of such an affiliate; and

    (ii) if it is outside the United States, it is purchasing the Equity Shares in an offshore transaction in reliance on Regulation S under the U.S. Securities Act, and is not our affiliate or a person acting on behalf of such an affiliate;

5. The QIB acknowledges that it has no right to withdraw its Bid after the Bid/Issue Closing Date;

6. The QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the floor of the Stock Exchanges;

7. The QIB confirms that the QIB is eligible to Bid and hold Equity Shares so Allotted and together with any Equity Shares held by the QIB prior to the Issue. The QIB further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any regulations applicable to the QIB;

8. The QIB confirms that its Bids would not eventually result in triggering a tender offer under the Takeover Regulations;

9. The QIB acknowledges, represents and agrees that in the event its total interest in the paid-up share capital of our Company or voting rights in our Company, whether direct or indirect, beneficial or otherwise (any such interest, your "**Holding**"), when aggregated together with any existing Holding and/or Holding of any of the persons acting in concert, results in Holding of 5% or more of the total paid-up share capital of, or voting rights in, our Company a disclosure of the aggregate shareholding and voting rights will have to be made under the Takeover Regulations. In case such QIB is an existing shareholder who, together with persons acting in concert, holds 5% or more of the

underlying paid up share capital of, or voting rights in our Company a disclosure will have to be made under the Takeover Regulations in the event of a change of 2% or more in the existing Holding of the QIB and persons acting in concert;

10. The QIB confirms that to the best of its knowledge and belief together with other QIBs in the Issue that belongs to the same group or are under same control, the Allotment to the QIB shall not exceed 50% of the Issue Size. For the purposes of this statement:

    (a) The expression “belongs to the same group” shall derive meaning from the concept of “companies under the same group” as provided in sub-section (11) of Section 372 of the Companies Act 1956;

    (b) “Control” shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the Takeover Regulations.

11. The QIBs shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

The QIB confirms that it has read and understood, and by making a Bid for the Equity Shares through the Application Forms and pursuant to the terms of the Preliminary Placement Document, will be deemed to have made the representations, warranties and agreements made under the sections “Notice to Investors”, “Representations by Investors”, “Selling Restrictions” and “Transfer Restrictions” on pages 1,3, 202 and 209, respectively.

QIBS MUST PROVIDE THEIR DEPOSITORY ACCOUNT DETAILS, PERMANENT ACCOUNT NUMBER (“PAN”), THEIR DEPOSITORY PARTICIPANT’S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER, E-MAIL ID AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, THE QIB SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO BOOK RUNNING LEAD MANAGERS TO EVIDENCE ITS STATUS AS A “QIB”. IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, THE ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER BID/ISSUE CLOSING DATE, THE QIB SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details given above.

The submission of an Application Form by a QIB shall be deemed a valid, binding and irrevocable offer for the QIB to pay the entire Issue Price for the Equity Shares (as indicated by the CAN) and becomes a binding contract on the QIB upon issuance of the CAN by us in favour of the QIB.

Submission of Application Form

All Application Forms must be duly completed with information including the name of the QIB, the price and the number of Equity Shares applied for. The Application Form shall be submitted to the Book Running Lead Managers either through electronic form or through physical delivery at the following address:

Name of Book Running Lead Managers	Address	Contact Person	E-mail	Phone (Telephone and Fax)
ITI Capital Limited (formerly known as Inga Capital Limited)	Naman Midtown, ‘A’ Wing 21st Floor Senapati Bapat Marg Elphistone (West) Mumbai 400 012	Ms. Kavita Shah	mepqip@ingacapital.com	Tel: (91 22) 4031 3489 Fax: (91 22) 4031 3379
First Global Finance Private Limited	Nirmal, 6th Floor, Nariman Point, Backbay Reclamation, Mumbai-400021	Mr. Neeraj Khanna	mepqip@firstglobal.in info@firstglobal.in	Tel: (91 22) 4001 2400; (91 99) 300 70949;

Name of Book Running Lead Managers	Address	Contact Person	E-mail	Phone (Telephone and Fax)
				(91 98) 21167150 Fax: (91 22) 4001 2410

The Book Running Lead Managers shall not be required to provide any written acknowledgement of the same.

Permanent Account Number or PAN

Each QIB should mention its PAN allotted under the IT Act in the Application Form along with a copy of the PAN card or PAN allotment letter. Applications without this information will be considered incomplete and are liable to be rejected. QIBs should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Pricing and Allocation

Build-up of the Book

The QIBs shall submit their Bids (including the revision of bids) within the Bidding Period to the Book running lead managers through the Application Form and cannot be withdrawn after the Bid/Issue Closing Date. The book shall be maintained by the Book Running Lead Managers.

Price Discovery and Allocation

Our Company, in consultation with the Book Running Lead Managers, shall determine the Issue Price, which shall be at or above the Floor Price. However, our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 85 of the SEBI Regulations.

After finalisation of the Issue Price, our Company shall update the Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Book Running Lead Managers on a discretionary basis and in compliance with Chapter VIII of the SEBI Regulations.

Application Forms received from the QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL QIBS. QIBS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AT OR ABOVE THE ISSUE PRICE. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGERS ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

All Application Forms duly completed along with payment and a copy of the PAN card or PAN allotment letter shall be submitted to the Book Running Lead Managers as per the details provided in the respective CAN.

CAN

Based on the Application Forms received, our Company, in consultation with the Book Running Lead Managers, in its sole and absolute discretion, shall decide the QIBs to whom the serially numbered CAN shall be sent, pursuant to which the details of the Equity Shares Allocated to them and the details of the amounts payable for Allotment of such Equity Shares in their respective names shall be notified to such QIBs. Additionally, a CAN will include details of the relevant Escrow Account into which such payments would need to be made, Pay-In Date as well as the probable designated date, being the date of credit of the Equity Shares to the respective QIB's account.

The QIBs who shall be Allotted Equity Shares pursuant to the Issue would also be sent a serially numbered Placement Document either in electronic form or by physical delivery along with the serially numbered CAN.

The dispatch of the serially numbered Placement Document and the serially numbered CAN to the QIBs shall be deemed a valid, binding and irrevocable contract for the QIB to furnish all details that may be required by our Company and the Book Running Lead Managers and to pay the entire Issue Price for all the Equity Shares Allocated to such QIB.

QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

Bank Account for Payment of Application Money

Our Company has opened the "MEP Infrastructure Developers Limited – QIP - I Escrow Account" with the Escrow Bank in terms of the arrangement among us, the Book Running Lead Managers and the Escrow Bank. The QIB will be required to deposit the entire amount payable for the Equity Shares Allocated to it by the Pay-In Date as mentioned in the respective CAN.

If the payment is not made favouring the "MEP Infrastructure Developers Limited – QIP - I Escrow Account" within the time stipulated in the CAN, the Application Form and the CAN of the QIB are liable to be cancelled.

Our Company undertakes to utilise the amount deposited in "MEP Infrastructure Developers Limited – QIP - I Escrow Account" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of application money if we have not been able to Allot Equity Shares in the Issue.

In case of cancellations or default by the QIBs, we and the Book Running Lead Managers have the right to reallocate the Equity Shares at the Issue Price among existing or new QIBs at our sole and absolute discretion subject to the compliance with the requirements of the Companies Act 2013 and the SEBI Regulations.

Payment Instructions

The payment of application money shall be made by the QIBs in the name of "MEP Infrastructure Developers Limited – QIP - I Escrow Account" as per the payment instructions provided in the CAN.

Payments are to be made only through electronic fund transfer. All payments through cheques are liable to be rejected.

Designated Date and Allotment of Equity Shares

The Equity Shares will not be Allotted unless the QIBs pay the Issue Price to the "MEP Infrastructure Developers Limited – QIP - I Escrow Account" as stated above.

In accordance with the SEBI Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act.

Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN for the QIBs who have paid the aggregate subscription amounts as stipulated in the CAN.

Our Company, in its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Post receipt of the listing approval from the stock exchanges, our Company shall credit the Equity Shares into the Depository Participant account of the QIBs.

In relation to QIBs who have been Allotted more than 5% of the Equity Shares in the Issue, our Company shall disclose the name and the number of the Equity Shares Allotted to such QIB to the Stock Exchanges and the Stock Exchanges will make the same available on their website.

The Escrow Bank shall release the monies lying to the credit of the Escrow Account to our Company after Allotment of Equity Shares to QIBs and receipt of final listing and trading approval from the exchanges.

In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or on cancellation of the Issue, within 60 days from the date of receipt of application money, we shall repay the application money within 15 days from expiry of 60 days, failing which we shall repay that money with interest at the rate of 12% per annum from expiry of the sixtieth day. The application money to be refunded by us shall be refunded to the same bank account from which application money was remitted by the QIBs.

Other Instructions

Right to Reject Applications

Our Company, in consultation with the Book Running Lead Managers, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company and the Book Running Lead Managers in relation to the rejection of Bids shall be final and binding.

Equity Shares in Dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

A QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Allotment to a successful QIB will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the QIB.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Book Running Lead Managers will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on part of the QIBs.

For details of our Company Secretary and Compliance Officer, see "General Information" on page 244.

PLACEMENT

Placement Agreement

The Book Running Lead Managers have entered into the Placement Agreement dated March 22, 2018 with our Company, pursuant to which the Book Running Lead Managers have agreed to manage the Issue and to act as placement agents in connection with the proposed Issue and procure subscription to Equity Shares on a reasonable efforts basis to be placed with the QIBs, pursuant to Chapter VIII of the SEBI Regulations and Section 42 of the Companies Act 2013.

The Placement Agreement contains customary representations, warranties and indemnities from our Company and the Book Running Lead Managers, and it is subject to termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable state securities laws of the United States and, unless so registered may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons who are U.S. QIBs pursuant to Section 4(a)(2) or another applicable exemption from registration under the U.S. Securities Act; for avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Preliminary Placement Document as "**QIBs**" and (b) outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.Each purchaser of the Equity Shares offered by this Preliminary Placement Document will be deemed to have made the representations, agreements and acknowledgements as described under "Transfer Restrictions" in this Preliminary Placement Document.

This Preliminary Placement Document has not been, and will not be, registered as a prospectus with the RoC and, no Equity Shares issued pursuant to the Issue, will be offered in India or overseas to the public or any members of the public in India or any other class of prospective investors, other than QIBs.

In connection with the Issue, the Book running lead managers (or their affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book running lead managers may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Managers may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see "Offshore Derivative Instruments" on page 7.

From time to time, the Book Running Lead Managers, and its affiliates and associates have engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, banking, trading services for our Company, the Subsidiaries, the Associate, group companies, affiliates and the shareholders of our Company, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Book Running Lead Managers and its affiliates and associates.

Lock-up

Our Company has undertaken that it will not for a period of 90 days from the Allotment under the Placement, without the prior written consent of the Book Running Lead Managers, directly or indirectly, (a) purchase, lend, sell, offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or (c) deposit Equity Shares with any other depositary in connection with a depositary receipt facility, or (d) publicly announce any intention to enter into any transaction falling within (a) to (c) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above. Provided that the foregoing restriction shall not apply to an issuance of Equity Shares or options pursuant to any employee stock option scheme formulated by the Company.

The Promoters and the members of the Promoter Group of our Company have agreed that they shall not during the period commencing on the date of Placement Agreement and ending 90 days after the date of allotment of the Equity Shares under the Issue (the "**Lock-up Period**"), without the prior written permission of the Book Running Lead Managers, do the following:

(a) sell, lend, contract to sell, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Lock-up Shares (as defined herein), or any securities convertible into or exercisable or exchangeable for Lock-up Shares or publicly announce an intention with respect to any of the foregoing; or

(b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of Lock-up Shares or any securities convertible into or exercisable or exchangeable for Lock-up Shares; or

(c) sell, lend, contract to sell, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares or interest in an entity which holds any Lock-up Shares; or

(d) publicly announce any intention to enter into any transaction whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of Lock-up Shares, or such other securities, in cash or otherwise, or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above,

provided, however, that the foregoing restrictions shall not apply to:

(i) any sale, transfer or disposition of any of the Lock-up Shares with prior notice to the Book Running Lead Managers to the extent such sale, transfer or disposition is required by Indian law; and

(ii) any pledge or non-disposal undertaking of any of the Lock-up Shares in connection with financing arrangements in the ordinary course of business the Company and/or its Subsidiaries or transfer of any of the Lock-up Shares to any third party pursuant to the invocation of any pledge in relation to the Lock-up Shares.

As used in this section, the term 'Lock-up Shares' shall mean the 113,589,813 Equity Shares owned by the Promoters and the members of the Promoter Group together with any and all Equity Shares that may be acquired by them during the Lock-up Period.

Notwithstanding anything provided above, the foregoing restrictions on transfer of Promoter Shares by the Promoters and the members of the Promoter Group shall not apply to any inter group transfer made to any entities promoted by the Promoters (the "**Promoter Group Entities**"), subject to compliance with Applicable Laws and subject to observance by the transferee Promoter Group Entities of the foregoing restrictions on transfer of Promoter Shares until the expiry of the Lock-up Period.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document or any offering material and the offering, sale or delivery of the Equity Shares is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorized.

GENERAL

No action has been taken or will be taken that would permit a public offering of the Equity Shares to occur in any jurisdiction, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required.

Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI Regulations.

Each subscriber of the Equity Shares offered by this Preliminary Placement Document will be deemed to have made the representations, agreements and acknowledgements as described under "Notice to Investors" "Representations by Investors", "Selling Restrictions" and "Transfer Restrictions" on pages 1,3, 202 and 209 of this Preliminary Placement Document, respectively.

Republic of India

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private basis and is limited to QIBs and is not an offer to the public. This Preliminary Placement Document is neither a public issue nor a prospectus under the Companies Act or an advertisement and should not be circulated to any person other than to whom the offer is made. This Preliminary Placement Document has not been and will not be registered as a prospectus with the RoC.

Australia

This Preliminary Placement Document and the offer of Equity Shares are only made available in Australia to persons to whom a disclosure document is not required to be given under Chapter 6D of the Australian Corporations Act 2001 (the "**Australian Corporations Act**") and has not been and will not be lodged or registered with the Australian Securities & Investments Commission or any other regulatory body or agency in Australia. This Preliminary Placement Document is not a prospectus, product disclosure statement or any other form of formal "disclosure document" for the purposes of the Australian Corporations Act and is not required to, and does not, contain all the information which would be required in a disclosure document under the Australian Corporations Act. (i) The offer of the Equity Shares under this Preliminary Placement Document is only made to persons to whom it is lawful to offer the Equity Shares without a disclosure document such as a professional investor or sophisticated investor for the purposes of Chapter 6D of the Australian Corporations Act; (ii) this Preliminary Placement Document is made available in Australia to persons as set forth in clause (i) above; and (iii) by accepting this offer, the offeree represents that the offeree is such a person as set forth in clause (ii) above and agrees not to sell or offer for sale within Australia any Equity Shares sold to the offeree within 12 months after their transfer to the offeree under this Preliminary Placement Document.

Belgium

The Equity Shares may not be distributed in Belgium by way of an offer of securities to the public, as defined in Article 3 §1 of the Belgian Law of June 16, 2006 on public offerings of investment W-28 instruments and the admission of investment instruments to trading on regulated markets (the "**Prospectus Law**"), save in those circumstances set out in Article 3 §2 of the Prospectus Law.

This offering is exclusively conducted under applicable private placement exemptions and therefore it has not been and will not be notified to, and this Preliminary Placement Document or any other offering material relating to the Equity Shares has not been and will not be approved by, the Belgian Banking, Finance and Insurance Commission ("**Commission bancaire, financière et des assurances/Commissie voor het Bank-, Financie- en Assurantiewezen**").

Accordingly, this offering may not be advertised and the Book Running Lead Manager has represented, warranted and agreed that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Equity Shares, and that it has not distributed, and will not distribute, any memorandum, information circular, brochure or any similar documents, directly or indirectly, to any individual or legal entity in Belgium other than:

1. qualified investors, as defined in Article 10 of the Prospectus Law;
2. investors required to invest a minimum of €50,000 (per investor and per transaction); and
3. in any other circumstances set out in Article 3 §2 of the Prospectus Law.

This Preliminary Placement Document has been issued only for the personal use of the above qualified investors and exclusively for the purpose of this offering. Accordingly, the information contained herein may not be used for any other purpose nor disclosed to any other person in Belgium.

Denmark

The Equity Shares have not been offered or sold and will not be offered, sold or delivered directly or indirectly in Denmark by way of a public offering, unless in compliance with the Danish Securities Trading Act, Consolidation Act No. 843 of September 7, 2005, as amended from time to time, and any orders issued thereunder.

Dubai International Financial Centre / United Arab Emirates

The Equity Shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of securities. Further, this Preliminary Placement Document does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre) and is not intended to be a public offer. This Preliminary Placement Document has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the Dubai Financial Services Authority.

European Economic Area

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "**United Arab Emirates**"), the Book Running Lead Managers have severally and not jointly, or jointly and severally, represented and warranted that it has not made and will not make an offer to the public of any Equity Shares which are the subject of the issue of Equity Shares contemplated by this Preliminary Placement Document in that Relevant Member State, except that the Equity Shares may be offered to the public in that Member State at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

1. to any legal entity which is a qualified investor, as defined in the Prospectus Directive (as defined below);
2. to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive or supplement a prospectus pursuant to Article 16 at the Prospectus Directive), subject to obtaining the prior consent of the Book Running Lead Managers nominated by the Company for any such offer; or
3. at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of the Equity Shares shall result in a requirement for the publication by the Company or the Book Running Lead Managers of a prospectus or the initial purchaser of a prospectus pursuant to Article 3 of the Prospectus Directive and each person who initially acquires any Equity Shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed with the Book Running Lead Managers and the Company that it is a qualified investor within the meaning of the law of the Relevant Member State implementing Article 2(1)I of the Prospectus Directive or any measure implementing the Prospectus Directive in any Relevant Member State.

For the purposes of this provision, the expression "an offer to the public" in relation to any securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any securities to be offered so as to enable an investor to decide to purchase any securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2003/71/EC), and includes any relevant implementing measure in the Relevant Member State.

France

This Preliminary Placement Document has not been prepared in the context of a public offering of financial securities in France within the meaning of Article L. 411-1 of the French Code *monétaire et financier* and Title I of Book II of the *Règlement Général of the Autorité des Marchés Financiers* (the "AMF") and, therefore, has not been approved by, registered or filed with the AMF and does not require a prospectus to be submitted for approval to the AMF. Consequently, the Book Running Lead Managers have represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Equity Shares to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Preliminary Placement Document or any other offering material relating to the Equity

Shares and such offers, sales and distributions have been and will be made in France only to (i) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers)* and/or (ii) to qualified investors (*investisseurs qualifiés)* acting on their own account, as defined in, and in accordance with, Articles L.411-2, D.411-1, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the French Code monétaire et financier. No re-transfer, directly or indirectly, of the Equity Shares in France, other than in compliance with applicable laws and regulations and in particular those relating to a public offering (which are, in particular, embodied in articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 and seq. of the French Code *monétaire et financier)* shall be made.

Germany

This Preliminary Placement Document has not been prepared in accordance with the requirements for a sales prospectus under the German Securities Prospectus Act (*Wertpapierprospektgesetz),* the German Sales Prospectus Act (*Verkaufsprospektgesetz),* or the German Investment Act (*Investmentgesetz).* Neither the German Federal Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht - BaFin)* nor any other German authority has been notified of the intention to distribute the Equity Shares in Germany. The Equity Shares may therefore not be distributed in the Federal Republic of Germany by way of public offering, public advertising or in a similar manner. The Equity Shares are being offered and sold in Germany only to (i) qualified investors in the meaning of Section 3, paragraph 2 no. 1, in connection with Section 2, no. 6, of the German Securities Prospectus Act, or (ii) a limited number of individualised, unqualified investors that are being preselected and specifically addressed. This Preliminary Placement Document is strictly for use of the person who has received it. It may not be forwarded to other persons or published in Germany.

Hong Kong

This Preliminary Placement Document has not been approved by the Securities and Futures Commission in Hong Kong and, accordingly, (i) the Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under that SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap. 32) (the "**CWUMPO**") of Hong Kong or which do not constitute an offer to the public within the meaning of the CWUMPO; and (ii) the Book Running Lead Managers have not issued or had in its possession for the purposes of the issue of Equity Shares whether in Hong Kong or elsewhere any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong), other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Ireland

The Equity Shares may be publicly offered and sold in Ireland only in accordance with the European Communities (Transferable Securities and Stock Exchange) Regulations 1992, if applicable, the Investment Intermediaries Act 1995, as amended, the Companies Acts 1963 to 2003 and all other applicable Irish laws and regulations. This Preliminary Placement Document does not constitute an offer to the public in Ireland by virtue of the fact that it shall only be made to persons in Ireland whose ordinary business is to buy or sell shares or debentures (whether as principal or agent) and, accordingly, has not been registered with the Registrar for Companies in Ireland. By accepting delivery of this Preliminary Placement Document, the addressee in Ireland warrants that it is a person whose ordinary business, whether as principal or agent, is to buy and sell shares and debentures. This Preliminary Placement Document does not and shall not be deemed to constitute an invitation to individuals (*i.e.,* natural persons) in Ireland to purchase Equity Shares. There will be no offering to the public in Ireland of the Equity Shares and this Preliminary Placement Document does not constitute a prospectus within the meaning of the Irish Companies Acts 1963 to 2003.

Italy

The offering of the Equity Shares has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, each Lead Manager has represented and agreed that it has not offered, sold or distributed, and will not offer, sell or distribute any Equity Shares or any copy of this Preliminary Placement Document or any other offer document in the Republic of Italy ("**Italy**") except:

(a) to qualified investors (*investitori qualificati),* pursuant to Article 100 of Legislative Decree no. 58 of February 24, 1998 (the "Consolidated Financial Services Act" and Article 34-ter, paragraph 1, letter (b) of CONSOB regulation No. 11971 of May 14, 1999 (the "**CONSOB Regulation**"), all as amended; or

(b) in any other circumstances where an express exemption from compliance with the restrictions on offers to the public applies, as provided under Article 100 of the Consolidated Financial Services Act and Article 34-ter of the CONSOB Regulation;

(c) moreover, and subject to the foregoing, any offer, sale or delivery of the Equity Shares or distribution of copies of this Preliminary Placement Document or any other document relating to the Equity Shares in Italy under (1) or (2) above must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Consolidated Financial Services Act, Legislative Decree No. 385 of September 1, 1993 (the "Banking Act"), CONSOB Regulation No. 16190 of October 29, 2007, all as amended;

(ii) in compliance with Article 129 of the Banking Act and the implementing guidelines, pursuant to which the Bank of Italy may request information on the offering or issue of securities in Italy; and

(iii) in compliance with any securities, tax, exchange control and any other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time, inter alia, by CONSOB or the Bank of Italy.

Any investor purchasing the Equity Shares in the Issue is solely responsible for ensuring that any offer or resale of the Equity Shares it purchased in the Issue occurs in compliance with applicable laws and regulations. This Preliminary Placement Document and the information contained herein are intended only for the use of its recipient and are not to be distributed to any third-party resident or located in Italy for any reason. No person resident or located in Italy other than the original recipients of this document may rely on it or its contents.

Japan

The Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Act No. 25 of 1948, as amended; the "**FIEA**") The Book Running Lead Managers have represented and agreed that they will not offer or sell any Equity Shares, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Kuwait

The issue of Equity Shares has not been approved by the Kuwait Central Bank or the Kuwait Ministry of Commerce and Industry, nor has the Company received authorization or licensing from the Kuwait Central Bank or the Kuwait Ministry of Commerce and Industry to market or sell the Equity Shares within Kuwait. Therefore, no services relating to the offering, including the receipt of applications and/or the allotment of Equity Shares, may be rendered within Kuwait by the Company or persons representing the Company.

Luxembourg

The Equity Shares offered in this Preliminary Placement Document may not be offered, sold or delivered to the public within the Grand Duchy of Luxembourg. This document is only intended for institutional investors. It is personal to each offeree and does not constitute an offer to any other person or to the public generally in Luxembourg to subscribe for or otherwise acquire the Equity Shares. Distribution of this Preliminary Placement Document to any person other than the offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorized and any disclosure of any of its contents, without prior written consent of the Company, is prohibited.

Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares has been or will be registered with the Securities Commission of Malaysia pursuant to the Securities Commission Act, 1993 as the offer for purchase of, or invitation to purchase the Equity Shares is meant to qualify as an "excluded offer or excluded invitation" within the meaning of Section 38 of the Securities Commission Act, 1993. Each Lead Manager has severally represented, warranted or agreed that the Equity Shares will not be offered, sold, transferred or otherwise disposed, directly or indirectly, nor any document or other material in connection therewith distributed, in Malaysia, other than to persons falling within any one of the categories or person specified in Schedule 2 and/or Schedule 3 of the Securities Commission Act, 1993 who are also persons to whom any offer or invitation to purchase or sell would be an excluded offer or invitation within the meaning of Section 38 of the Securities Commission Act, 1993.

Norway

This Preliminary Placement Document has not been approved by or registered with any Norwegian securities regulators pursuant to the Norwegian Securities Trading Act 1997. Accordingly, neither this Preliminary Placement Document nor any other offering material relating to the Equity Shares constitutes, or shall be deemed to constitute, an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act 1997 and is only made to qualified professional investors pursuant to the Norwegian Regulation of December 9, 2005 regarding exemption from the obligation to publish a prospectus or otherwise only in circumstances where an exemption from the obligation to publish a prospectus under the Norwegian Securities Trading Act 1997 is available.

Qatar

This document does not, and is not intended to, constitute an invitation or an offer of securities in the State of Qatar (including the Qatar Financial Centre) and accordingly should not be construed as such. The Equity Shares have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (i) neither this Preliminary Placement Document nor the Equity Shares have been registered, considered, authorized or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other authority or agency in the State of Qatar; (ii) neither the Company nor persons representing the Company are authorized or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (iii) this Preliminary Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (iv) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Equity Shares has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Neither the Company nor persons representing the Company are, by distributing this document, advising individuals resident in the State of Qatar as to the appropriateness of investing in or purchasing or selling securities or other financial products. Nothing contained in this document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Saudi Arabia

Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a "**Saudi Investor**") who acquires Equity Shares pursuant to the Issue should note that the offer of Equity Shares is an offer to "Sophisticated Investors" (as defined in Article 11 of the "Offer of Securities Regulations" as issued by the Board of the Capital Market Authority resolution number 2-11-2004 dated October 4, 2004 and amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated August 18, 2008 (the "**KSA Regulations**")) for the purposes of Article 9 of the KSA Regulations. Each Lead Manager has represented, warranted and agreed that the offer of the Equity Shares will only be directed at Sophisticated Investors.

The offer of Equity Shares shall not therefore constitute a "public offer" pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 17 of the KSA Regulations. Any Saudi Investor who has acquired Equity Shares as a Sophisticated Investor may not offer or sell those Equity Shares to any person unless the offer or sale is made through an authorised person appropriately licensed by the Saudi Arabian Capital Market Authority and (i) the Equity Shares are offered or sold to a Sophisticated Investor; (ii) the price to be paid for the Equity Shares in any one transaction is equal to or exceeds Saudi Arabian Riyal 1 million or an equivalent amount; or (iii) the offer or sale is otherwise in compliance with Article 17 of the KSA Regulations.

Singapore

This Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). Accordingly, the Equity Shares may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Placement This Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). Accordingly, the Equity Shares may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Placement

Each of the following relevant persons specified in Section 275 of the SFA who has subscribed for or purchased shares, namely a person who is:

1. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

2. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor,

should note that shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the shares under Section 275 of the SFA except:

(a) to an institutional investor under Section 274 of the SFA or to a relevant person or to any person pursuant to Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) pursuant to Section 276(7) of the SFA; or

(e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulation 2005 of Singapore.

Spain

This Preliminary Placement Document has not been registered with the Spanish Securities Market National Commission (*Comision Nacional del Mercado de Valores).* The Equity Shares may not be listed, offered or sold in Spain except in accordance with the requirements of the Spanish Security Market Act (*Ley 24/1988, de 28 de julio, del Mercado de Valores),* as amended, and as supplemented by Royal Decree 1310/2005 *(Real Decreto Ley 24/1988, de 28 de Julio, del Mercado de Valores, en materia de admission a negociación de valores en mercados secundarios oficilaes, de ofertas públicas or subscripción y del folleto exigible a tales efectos),* (the "Royal Decree 1310/2005"), and any other applicable provisions. The Equity Shares may not be listed, sold, offered or distributed to persons in Spain except in compliance with the above-mentioned provisions and, particularly, pursuant to Sections 26 to 38 to 41 of Royal Decree 1320/2005, as amended.

Switzerland

The Equity Shares may be offered in Switzerland on the basis of a private placement, not as a public offering. The Equity Shares will neither be listed on the six Swiss Exchange nor are they subject to Swiss law. This Preliminary Placement Document does not constitute a prospectus within the meaning of Art. 1156 of the Swiss Federal Code of Obligations or Arts. 32 *et seq.* of the Listing Rules of the six Swiss Exchange, and does not comply with the Directive for Equity Shares of Foreign Borrowers of the Swiss Bankers Association. We will not apply for a listing of the Equity Shares on any Swiss stock exchange or other Swiss regulated market and this Preliminary Placement Document may not comply with the information required under the relevant listing rules. The Equity Shares have not and will not be registered with the Swiss Federal Banking Commission or any other Swiss authority for any purpose, whatsoever.

The Netherlands

The Equity Shares are not and may not be offered in the Netherlands other than to persons or entities who or which are qualified investors as defined in Section 1:1 Dutch Financial Supervision Act (*Wet op het financieel toezicht)* (which incorporates the term "qualified investors" as used in the Prospectus Directive).

United Kingdom

The Book Running Lead Managers have represented, warranted and undertaken that:

1. it has only communicated or caused to be communicated and will only communicate or cause to be communicated in the United Kingdom any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 ("**FSMA**") received by it in connection with the issue or sale of any Equity Shares in circumstances in which section 21(1) of FSMA does not apply to the Company; and

2. it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Equity Shares in, from or otherwise involving the United Kingdom.

United States of America

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. The Equity Shares are being offered and sold only (1) in the United States to persons who are U.S. QIBs, and (2) outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdiction where such offers and sales occur. Each purchaser of the Equity Shares offered by this Preliminary Placement Document will be deemed to have made the representations, agreements and acknowledgements as described under "***Transfer Restrictions***" in this Preliminary Placement Document.

TRANSFER RESTRICTIONS

Due to the following restrictions, prospective investors are advised to consult legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of the Equity Shares.

Allottees are not permitted to sell the Equity Shares for a period of one year from the date of Allotment, except on the Stock Exchanges. Additionally, purchasers are deemed to have represented, agreed and acknowledged as below with respect to purchase and sale of Equity Shares.

U.S. Offer Purchaser Representations and Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. If you purchase the Equity Shares offered in the United States in reliance on Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act, by accepting delivery of this Preliminary Placement Document, submitting a bid to purchase Equity Shares and/or accepting delivery of any Equity Shares, you will be deemed to have represented and agreed to us and the Book Running Lead Managers as follows:

- You (A) are a "qualified institutional buyer" (as defined in Rule 144A), (B) are aware that the sale of the Equity Shares to you is being made in reliance on Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act and (C) are acquiring such Equity Shares for its own account or for the account of a "qualified institutional buyer";

- You understand and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer understands and agrees) that the Equity Shares are being offered in a transaction not involving any public offering within the meaning of the U.S. Securities Act, have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be reoffered, resold, pledged or otherwise transferred except (A)(i) in the United States to a person who the seller reasonably believes is a "qualified institutional buyer" in a transaction meeting the requirements of Rule 144A, (ii) in an offshore transaction in reliance on Regulation S, as applicable, (iii) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 under the U.S. Securities Act (if available), (iv) pursuant to another available exemption from the registration requirements of the U.S. Securities Act, or (v) pursuant to an effective registration statement under the U.S. Securities Act, and (B) in each case, in accordance with all applicable securities laws of the states of the United States and any other jurisdiction in which such offers or sales are made;

- It agrees (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any "directed selling efforts" as defined in Regulation S, with respect to the Equity Shares. It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any directed selling efforts;

- The Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for re-sales of any Equity Shares;

- You will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

- You will base your investment decision on a copy of this Preliminary Placement Document. You acknowledge that neither the Company nor any of its affiliates nor any other person (including the Book Running Lead Managers) or any of their respective affiliates has made or will make any representations, express or implied, to you with respect to the Company, the Offer, the Equity Shares or the accuracy, completeness or adequacy of any financial or other information concerning the Company, the Offer or the Equity Shares, other than (in the case of the Company only) the information contained in this Preliminary Placement Document, as it may be supplemented; and

- You are a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in similar jurisdictions. You and any accounts for you are subscribing to the Equity Shares for (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares in this Issue for your own investment and not with a view to distribution.

- You will notify any transferee to whom you subsequently offer, sell, pledge or otherwise transfer and the executing broker and any other agent involved in any resale of the Equity Shares of the foregoing restrictions applicable to the Equity Shares and instruct such transferee, broker or agent to abide by such restrictions.

- You acknowledge that if at any time its representations cease to be true, you agree to resell the Equity Shares at the Company's request.

- You have been provided access to this Preliminary Placement Document which you have read in its entirety.

- You acknowledge and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges and agrees) that we, the Book Running Lead Managers, its affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agree that, if any of such acknowledgements, representations or agreements are no longer accurate you will promptly notify us; and if you are acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, you represent that you have sole investment discretion with respect to each such account and that you have full power to make, and do make, the foregoing acknowledgements, representations and agreements on behalf of each such account.

- Any offer, resale, pledge or other transfer of the Equity Shares made other than in compliance with the above-stated restrictions will not be recognized by us.

Global Offer Purchaser Representations and Transfer Restrictions

By accepting delivery of this Preliminary Placement Document, submitting a bid to purchase Equity Shares and/or accepting delivery of my Equity Shares, you will be deemed to have represented and agreed as follows:

- You will comply with all laws, regulations and restrictions (including the selling restrictions contained in this Preliminary Placement Document) which may be applicable in your jurisdiction and you have obtained or will obtain any consent, approval or authorization required for you to purchase and accept delivery of Equity Shares, and you acknowledge and agree that none of us or the Book Running Lead Managers and their respective affiliates shall have any responsibility in this regard;

- You certify that you are, or at the time the Equity Shares are purchased will be, (a) the beneficial owner of the Equity Shares, you are located outside the United States of America (within the meaning of Regulation S), and you have not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States; or (b) you are a broker-dealer acting on behalf of a customer and you customer has confirmed to you that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, (ii) such customer is located outside the United States of America (within the meaning of Regulation S), and (iii) such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States;

- You understand and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer understands and agrees) that the Equity Shares are being offered in a transaction not involving any public offering within the meaning of the U.S. Securities Act, have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be reoffered, resold, pledged or otherwise transferred except (A)(i) in the United States to a person who the seller reasonably believes is a "qualified institutional buyer" in a transaction meeting the requirements of Rule 144A, (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S, as applicable, (iii) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 under the U.S. Securities Act (if available), (iv) pursuant to another available exemption from the registration requirements of the U.S. Securities Act, or (v) pursuant to an effective registration statement under the U.S. Securities Act, and (B) in each case, in accordance with all applicable securities laws of the states of the United States and any other jurisdiction;

- You agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer agrees) that neither you, nor any of your affiliates, nor any person acting on your behalf, will make any "directed selling efforts" as defined in Regulation S. You acknowledge and agree that you are not purchasing any Equity Shares as a result of any directed selling efforts.

- You will base your investment decision on a copy of this Preliminary Placement Document. You acknowledge that neither the Company nor any of its affiliates nor any other person (including the Book Running Lead Managers) or any of their respective affiliates has made or will make any representations, express or implied, to you with respect to the Company, the Offer, the Equity Shares or the accuracy, completeness or adequacy of any financial or other information concerning the Company, the Offer or the Equity Shares, other than (in the case of the Company) the information contained in this Preliminary Placement Document, as may be supplemented.

- You acknowledge and agree (or if you're a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges and agrees) that we, the Book Running Lead Managers, your affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agree that, if any of such acknowledgments, representations or agreements are no longer accurate, you will promptly notify us; and if you are acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, you represent that you have sole investment discretion with respect to each such account and that you have full power to make, and do make, the foregoing acknowledgments, representations and agreements on behalf of each such account.

- Any offer, resale, pledge or other transfer of the Equity Shares made other than in compliance with the above-stated restrictions, will not be recognized by us.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book running lead managers or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Stock Exchange Regulation

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the SCR (SECC) Regulations on June 20, 2012, which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

Listing of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of a company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognised stock exchange. Further, the SEBI Listing Regulations *inter alia* also provide for disclosures to be made by a company after delisting.

Delisting

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 in relation to the voluntary and compulsory delisting of equity shares from the stock exchanges which were significantly modified in 2015. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

Pursuant to an amendment of the SCRR in June 2010, all listed companies (except public sector undertakings) were required to maintain a minimum public shareholding of 25%. However, pursuant to a subsequent amendment to the SCRR, a public company, including public sector undertakings, seeking to get a particular class or kind of securities listed shall offer and allot to the public (i) at least 25% of such class or kind of securities issued by the company, if the post issue capital is less than or equal to ₹ 1,600,00,00,000, (ii) at least such percentage of such class or kind of securities issued by the company equivalent to ₹ 4,00,00,00,000, if the post issue capital of the company is more than ₹ 16,000,000,000 but less than or equal to ₹ 40,00,00,00,000 or (iii) at least 10% of such class or kind of securities issued by the company, if the post issue capital of the company is above ₹ 40,00,00,00,000. In case of (ii) and (iii) above, the public shareholding is required to be increased to 25% within a period of three years from the date of listing of the securities. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such the public shareholding having fallen below the 25% threshold.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of BSE or the CNX NIFTY of NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

BSE

Established in 1875, it is the oldest stock exchange in India. BSE became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. It has evolved over the years into its present status as one of the premier stock exchanges of India.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. It has evolved over the years into its present status as one of the premier stock exchanges of India. NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated under applicable law. NSE became the first exchange to grant approval to its members for providing internet based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of NSE. NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" and the "derivatives" segments of NSE.

Trading Hours

Trading on both NSE and BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). BSE and NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours

Trading Procedure

In order to facilitate smooth transactions, BSE replaced its open outcry system with BSE On-line Trading ("**BOLT**") facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the Takeover Regulations, which provides specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations (including mandatory open offer) on part of the acquirer. Acquisitions up to a certain threshold prescribed under the Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

Insider Trading Regulations

The Insider Trading Regulations have been notified to prohibit and penalise insider trading in India.

An insider is, *inter alia*, prohibited from trading in securities of a listed or proposed to be listed company when in possession of unpublished price sensitive information ("**UPSI**") and to provide access to any person including other insiders to the above referred UPSI except where such communication is for legitimate purposes, performance of duties or discharge of legal obligations. UPSI shall include any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities.

The Insider Trading Regulations also provide disclosure obligations for promoters, directors, key management personnel and employees, with respect to their shareholding in a company, and the changes therein. The definition of "insider" means any person who is a connected person or is in possession of or having access to unpublished price sensitive information. The terms "connected person" means any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

The board of directors of all listed companies are required to formulate and publish on the company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the Insider Trading Regulations.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act. The prospective investors are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share Capital

The authorised share capital of the Company is ₹ 2250.00 million comprising of 2,250,000,00 Equity Shares of ₹ 10 each. As on the date of this Preliminary Placement Document, the issued, subscribed and paid-up capital of the Company is ₹ 1625.69 million comprising of 162,569,191 fully paid-up Equity Shares of ₹ 10 each. The Equity Shares are listed on BSE and NSE.

Dividends

Under Indian law, a company pays dividend upon a recommendation by its board of directors and approval by a majority of the shareholders at the AGM held in each Fiscal. Our Board may declare and pay interim dividends, which requires confirmation of a majority of shareholders at the next AGM. The shareholders have no right to declare dividend at a rate higher than such rate recommended by our Board. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013 no dividend can be declared or paid by a company for any Fiscal except: (a) out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act; or (b) out of the profits of the company for any previous Fiscal arrived at as required to be computed in terms of the Companies Act and remaining undistributed; or (c) out of both; or (d) out of money provided by the Government of India or a State Government for payment of dividend by the Company in pursuance of a guarantee given by that Government.

The Equity Shares issued pursuant to this Preliminary Placement Document shall rank *pari passu* with the existing Equity Shares in all respects including entitlements to any dividends that may be declared by the Company.

Subject to the provisions of the Companies Act, no shareholder shall be entitled to receive payment of any interest or dividends in respect of his Equity Share(s), whilst any money may be due or owing from him to the Company in respect of such Equity Share(s) either above or jointly with any other person and our Board may deduct from the dividend payable to any such shareholder all sums of money, if any, payable by such shareholder to the Company on account of calls or otherwise in relation to the Equity Shares. Unless otherwise directed, dividend, interest or other monies in respect of the Equity Shares may be paid by cash or in electronic mode or by cheque or warrant to the shareholder or person entitled or in case of joint-holders to the joint-holder first named in the register of members or to such person and to such address as the holder or the joint holders direct in writing to the Company. The Company is not liable for any cheque or warrant lost in transmission, or for any dividend lost or delayed.

Issue of Bonus Shares and Capitalisation of Reserves

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act permits our Board, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the securities premium account or the capital redemption reserve account to its shareholders, in the form of fully paid up bonus ordinary shares, which are similar to stock dividend. However, bonus ordinary shares must be distributed to shareholders in proportion to the number of ordinary shares owned by them as recommended by our Board. No issue of bonus shares may be made by capitalizing reserves created by revaluation of assets. Further, any issue of bonus shares would be subject to the SEBI Regulations and the Companies Act.

The Articles of Association of the Company provide that the Company may, in any general meeting, upon the recommendation of our Board, resolve that any part of the amount standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution be capitalized.

Issue of Additional Equity Shares

Subject to the provisions of the Companies Act, the Company may increase its Equity Share capital by issuing new Equity Shares on such terms and with such rights as it, by action of its shareholders in a general meeting may determine. According to Section 62 of the Companies Act such new Equity Shares shall be offered to existing equity shareholders in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of Equity Shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. After such date or upon receipt of earlier intimation from persons to whom such notice is given that they decline to accept the Equity Shares offered, Board may dispose of the Equity Shares offered in respect of which no acceptance has been received in a manner which shall not be disadvantageous to the shareholders of the Company. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person.

Under the provisions of Section 62(1)(c) of the Companies Act, new Equity Shares may be offered to any persons whether or not those persons include existing equity shareholders, or employees to whom shares have been allotted under a scheme of employee stock option, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed, if a special resolution to that effect is passed by the Company's shareholders in a general meeting.

The Articles of Association provide that the Company, from time to time and subject to the provisions of the Companies Act, may consolidate or sub-divide its existing Equity Shares into shares of larger or smaller amount or may cancel any Equity Share not taken or agreed to be taken by any person.

General meetings of shareholders

There are two types of general meetings of the shareholders:

(i) AGM; and

(ii) EGM.

The Company must hold its AGM within six months after the expiry of each Fiscal provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the RoC at its request for any special reason for a period not exceeding three months. Our Board may convene an EGM when necessary or at the request of a shareholder or shareholders holding in the aggregate not less than one tenth of the Company's issued paid up capital (carrying a right to vote in respect of the relevant matter on the date of receipt of the requisition).

Notices, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to members at least 21 clear days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received, in writing or electronic mode, from not less than majority in number of members entitled to vote and who represent not less than 95% paid-up share capital as gives a right to vote at the meeting. Unless, the Articles of Association provide for a larger number, such number of shareholders, shall constitute a quorum for a general meeting of the Company, whether AGM or EGM as specified under the Companies Act. The quorum requirements applicable to shareholder meetings under the Companies Act have to be physically complied with.

In accordance with Section 110 of the Companies Act 2013 and the rules made thereunder, a company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of the Memorandum of Association, the issuing of shares with different voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares, giving loans or extending guarantees in excess of limits prescribed in Section 186(3) of the Companies Act 2013, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in the company's general meeting. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons therefore and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of dispatch of the notice. The shareholders may exercise their right to vote at general meetings or through postal ballot by voting through electronic voting mechanism.

Voting rights

Section 108 of the Companies Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 deal with the exercise of right to vote by members by electronic means. In terms of Rule 20, every listed company (other than a company referred to in Chapters XB or XC of the SEBI Regulations) is required to provide to its members facility to exercise their right to vote at general meetings by electronic means. The Ministry of Corporate Affairs, has clarified that voting by show of hands would not be allowable in cases where Rule 20 is applicable.

Transfer of shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by the SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to STT (levied on and collected by the stock exchanges on which such equity shares are sold), however are exempt from stamp duty. The Company has entered into an agreement for such depository services with the NSDL and the CDSL. The SEBI requires that the Company's shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. The Company shall keep a book in which every transfer or transmission of shares will be entered.

Pursuant to the SEBI Listing Regulations, in the event the Company has not affected the transfer of shares within 15 days from the date of receipt of request for transfer or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 15 days, it is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay. The Equity Shares shall be freely transferable subject to applicable laws. Under the SEBI Listing Regulations, notice of such refusal must be sent to the transferee within one month of the date on which the transfer was lodged with the Company.

According to the Articles of Association of the Company, any person who becomes entitled to Equity Shares by reason of death or insolvency of a member shall be entitled to the same dividend and other advantages to which he would be entitled if he was a registered member except that he shall not be entitled to exercise any rights in the meetings of the Company, before being registered as a member of the Company.

STATEMENT OF TAX BENEFITS

To,

The Board of Directors
MEP Infrastructure Developers Limited
A-412, Boomerang,
Chandivli Farm Road,
Near Chandivali Studio,
Andheri (E),
Mumbai 400072

ITI Capital Limited
(Formerly known as Inga Capital Limited)
Naman Midtown,
21st Floor, 'A' Wing,
Senpati Bapat Marg, Elphinstone (West)
Mumbai 400 013

First Global Finance Private Limited
Nirmal Building, 6th Floor,
Backbay Reclamation,
Nariman Point,
Mumbai 400 021

(ITI Capital Limited and First Global Finance Private Limited is hereinafter referred to as the "**Book Running Lead Managers**".)

Dear Sirs,

Sub: Proposed qualified institutions placement ("**QIP**") of equity shares of face value of ₹10 each (the "Equity Shares") by MEP Infrastructure Developers Limited (the "**Company**"), pursuant to Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, and Section 42 and 62 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

We, G.D. Apte & Co., Chartered Accountants, understand that the Company proposes to undertake the QIP of its Equity Shares in accordance with Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI ICDR Regulations**"), and Section 42 and 62 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

We report that the enclosed statement, states the possible direct tax benefits available to the Company and to its shareholders under the Income-tax Act, 1961, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither we are suggesting nor advising the investor to invest money based on this statement.

The amendments in Finance Act 2017 have been incorporated to the extent relevant in the enclosed Annexure.

We do not express any opinion or provide any assurance as to whether:

i) the Company or its shareholders will continue to obtain these benefits in future; or

ii) the conditions prescribed for availing the benefits have been/would be met with.

Our views expressed herein are based on facts/ assumptions indicated to us, our understanding of the law and interpretation thereof; and hence are not binding on any authority or court. Accordingly, no assurance is given that a position contrary to that expressed herein will not be asserted by any authority and ultimately sustained by an appellate authority or a Court of law. Our views are based on the existing provisions of law and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

We hereby give consent to include this statement of tax benefits in the Preliminary Placement Document, the prospectus and in any other material used in connection with the Issue.

This certificate has been issued at the request of the Company for use in connection with the QIP and may accordingly be furnished as required to the Stock Exchanges or any other regulatory authorities as required. The aforesaid information may be relied upon by the Book Running Lead Managers, legal counsels and other advisors or intermediaries appointed pursuant to the QIP.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration No: 100515W

Name: CA Chetan. R. Sapre
Designation: Partner
Membership No.: 116952

Place: Mumbai
Date: 22.03.2018

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO MEP INFRASTUCTURE DEVELOPERS LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to MEP Infrastructure Developers Limited ('the Company') and its shareholders under the current direct tax laws in India.

A. General benefits to the Company under the Income Tax Act, 1961 ('the Act')

The following tax benefits are generally available to the Company, subject to satisfaction of conditions as prescribed under the Act.

1. Business income

(a) Depreciation

- Depreciation can be claimed on specified tangible and intangible assets owned and used for the purpose of business as per provisions of Section 32 of the Act.
- The IT Act read with Rule 5(1) of IT Rules mandates claiming the depreciation on written down value of block of assets as per the rates specified in Appendix I of IT Rules.
- In respect of development of roads/ highways on Build-Operate-Transfer ('BOT') basis where the ownership is not vested with developer but where the developer gets a right to collect toll, the Central Board of Direct Taxes (CBDT), under powers conferred to it under section 119 of the Act, vide circular no. 09/2014 dated April 23, 2014, has clarified that the cost of construction on development of infrastructure facility of roads/ highways under BOT projects is allowable as a deduction by amortizing and claiming the same as allowable business expenditure under the Act. The Amortization allowable may be computed at the rate, which ensures that the whole of the cost incurred in creation of infrastructural facility of Roads/ Highway is amortized evenly over the period of concessionaire agreement after excluding the time taken for creation of such facility.

(b) Unabsorbed depreciation

Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.

(c) Business Expenditure

As per section 37(1) of the Act, any expenditure incurred by the Company for the purpose of business which are not in the nature of capital or personal are allowable.

Further, any expenditure incurred by the Company on activities relating to CSR referred to in section 135 of the Companies Act, 2013 shall not be deemed to be an expenditure incurred for the purpose of business.

Accordingly, such expenditure will not be allowed as deduction u/s 37. However, the CSR expense may be claimed as deduction under other sections such as section 80G if it fulfils conditions thereof.

(d) Business losses

Business losses, if any, for an assessment year can be carried forward and set off against business profits for eight subsequent years.

(e) Minimum Alternate Tax ('MAT') credit

- If the total tax payable as computed under the normal provisions of the Act is less than 18.5 percent of the book profit as computed under the provisions of section 115JB, tax is payable as MAT at the rate of 18.5 percent on the book profit as computed in accordance with the provisions of section 115JB of the Act. A surcharge on income tax of 7% is case of domestic company having a total income exceeding Rs. one crore, but not exceeding Rs. Ten crore and 12% in case of domestic company having a total income exceeding Rs. ten crore. Education cess of 2% and Secondary & Higher Education cess of 1% is levied on the amount of tax and surcharge.

- As per provisions of Section 115JAA of the Act, credit can be claimed for MAT paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.

- MAT credit is claimable to the extent of difference between the tax payable as per the normal provisions of the Act and the tax payable under Section 115JB for the assessment year. As per proviso to sub-section (2A) of section 115JAA, inserted by Finance Act 2017, MAT credit is available for set-off up to fifteen years succeeding the assessment year in which the credit arises.

- MAT credit is claimable to the extent of difference between the tax payable as per the normal provisions of the Act and the tax payable under Section 115JB for the assessment year. MAT credit is available for set-off up to fifteen years succeeding the assessment year in which the credit arises.

(f) Income from investment in units of Mutual funds

- As per section 10(35) of the Act, the income received in respect of the units of a Mutual Fund specified under clause (23D) of section 10 of the Act shall be exempt from tax.

(g) Tax holiday under section 80IA of the Act

- Section 80IA of the Act provides for deduction of 100 percent of the profits for a period of 10 consecutive years, in case of an enterprise engaged in the business of developing or operating and maintaining or developing, operating and maintaining an infrastructure facility and fulfils the following conditions:.

  - The enterprise is owned by a company registered in India or by a consortium of such companies;

  - It has entered into agreement with the Central Government or a State Government or a local authority or any other statutory body for developing or operating and maintaining or developing, operating and maintaining a new infrastructure facility;

  - It has started or starts operating and maintaining the infrastructure facility on or after 1 April 1995. However, no deduction will be available if the development or operation and maintenance of the infrastructure facility starts on or after 01st April 2017.

- Infrastructure facility has been inter alia defined to include road including toll road, bridge, rail system, highway project, water supply project, port, airport, inland waterway etc.

- The assessee is eligible to claim the deduction subject to satisfaction of certain conditions as laid down under section 80 IA of the Act for a period of any ten consecutive assessment years out of fifteen years from the year in which the assessee develops and begins to operate the infrastructure facility.

- The benefit is available subject to fulfillment of prescribed conditions. For the words "fifteen years", the word "twenty years" has been substituted for the following infrastructure facility:

(a) A road including toll road, a bridge or a rail system.

(b) A highway project including housing or other activities being an integral part of the highway project.

(c) A water supply project, water treatment system, irrigation project, sanitation and sewerage system or solid waste management system.

(h) Section 35AD:

- Subject to the fulfilment of conditions, as per Amendment in Finance Act 2016, w.e.f FY 2017-18, the company engaged in developing or maintaining and operating or developing, maintaining and operating a new infrastructure facility as classified by Central Government is entitled to claim deduction under Sec 35AD. For this purpose Infrastructure facility includes a road including a road including toll road, a bridge or a rail system. The amount of deduction is 100% of capital expenditure (other than investment in land, goodwill or financial instrument) incurred wholly and exclusively for the purpose of such specified business carried on by a Company in the year in which the expenditure is incurred.

- In view of the above provisions of the Act, certain agreement entered by subsidiaries of the Company for operating and maintaining or developing, operating and maintaining an infrastructure are eligible to claim deduction under section 80-IA of the Act subject to fulfillment of the above stipulated conditions.

- However, the aforesaid deduction is not available while computing Minimum Alternative Tax ('MAT') liability under Section 115JB of the IT Act.

(i) Tax Benefit under Section 80JJA:

- Subject to the fulfillment of conditions specified in this section, as per Amendment in Finance Act 2016, where the gross total income of an assessee to whom section 44AB applies, includes any profits and gains derived from business, shall be allowed a deduction of an amount equal to thirty per cent of additional employee cost incurred in the course of such business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

2. Dividends

- As per section 10(34) read with section 115-O of the Act, income by way of dividend referred to

- in section 115O of the Act received shall be exempt from tax.

- Income received in respect of mutual funds specified under section 10(23D) of the Act shall be exempt from tax under section 10(35) of the Act, subject to such income not arising from transfer of units in such mutual funds.

- As per the provisions of Section 115BBD of the Act, dividend received from a specified foreign company (in which the Company has shareholding of 26 percent or more) would be taxable at the concessional rate of 15 percent on gross basis (plus applicable surcharge and education cess).

3. Tax on distributed profits of domestic companies

- As per section 115O of the Act, every domestic company is liable to pay Dividend Distribution Tax ('DDT') on the amount of dividend distributed by it at the rate of 15 percent (plus a surcharge and education cess and secondary and higher education cess)

- As per sub-section (1A) of section 115O, while computing the DDT liability, the amount of dividend received by the domestic company from its subsidiary shall be reduced from the amount of dividend distributed / paid by it. This is subject to the condition that the subsidiary company has paid DDT on the dividend distributed by it. Further, the same amount of dividend shall not be taken into account for reduction more than once.

- As per sub-section (1B), inserted by Finance (No.2) Act 2014 for the purpose of computing DDT, the amount of dividend must be grossed up at the rate of 15 percent for applying DDT.

- In addition, as per amendment made by Finance Act, 2013 with effect from 1 June 2013, dividend received from specified foreign subsidiary company shall also be eligible for set off against dividend distributed by the Indian company while computing its DDT liability.

4. Capital gains

(a) Taxability of capital gains

- Profits and gains from transfer of capital assets are chargeable to capital gains tax.
- Capital assets may be categorized into short term capital assets and long term capital assets based on their nature and period of holding.
- Listed securities or units of UTI or units of equity oriented mutual fund or zero coupon bonds are considered as long term capital assets if they are held for period exceeding 12 months. These assets are short term capital assets if held for 12 months or less.
- Unlisted shares in a company shall be considered as long term capital asset if held for period exceeding 24 months. These assets are short term capital assets if held for 24 months or less.
- Assets, other than those mentioned above, are considered as long term capital assets, if they are held for more than 36 months, otherwise they are treated as Short term capital assets.
- Capital gains arising on transfer of long term capital assets are considered as "Long Term Capital Gains". Capital gains arising on transfer of short term capital assets are considered as "Short Term Capital Gains"
- As per provisions of section 47(xvii) of the Act, any transfer of shares of a Special Purpose Vehicle ('SPV') to a business trust in exchange of units allotted by that trust to the transferor is exempt from Capital Gains Tax.
- As per provisions of section 56(2)(ix), advance received and forfeited in relation to a transfer of capital asset shall be taxable under the head 'Income from Other Sources' and shall not be reduced from the cost of written down value or the fair market value, as the case may be, in computing the cost of acquisition of such capital asset.

Long Term Capital Gains ('LTCG')

- LTCG arising on transfer of equity shares of a company or units of an equity oriented fund [which has been set up under a scheme of a mutual fund specified under Section 10(23D)] or transfer of unit of business trust is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to fulfillment of conditions specified in that section.
- The exemption under section 10(38) of the IT Act would not be available, if such shares are purchased on or after October 1, 2004 and are not chargeable to STT, unless such purchase transaction is notified by the Government. The Central Board of Direct Taxes ("CBDT") has vide Notification no. F. No. 43/2017 dated June 5, 2017 notified all transactions of acquisition of equity share entered into on or after the October 1, 2004 which are not chargeable to STT, other than those specifically listed in the notification.
- Income by way of LTCG, which is exempt under Section 10(38) of the Act, shall be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.
- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is to be computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- As per provisions of Section 112(1) of the Act, LTCG which are not exempt under Section 10(38) of the Act are subject to tax at the rate of 20 percent (plus applicable surcharge and education cess). However, as per the proviso to section 112(1) of the Act, if the tax on LTCG resulting on transfer of listed securities (other than a unit) or zero coupon bond, calculated at the rate of 20 percent with indexation benefit exceeds the tax on LTCG computed at the rate of 10 percent without indexation

benefit, then such gains are chargeable to tax at concessional rate of 10 percent (plus applicable surcharge and education cess).As per provisions of Section 70 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, can be carried forward and set-off only against long term capital gains arising during subsequent eight assessment years.

Short Term Capital Gains (‘STCG)

- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund or unit of business trust are subject to tax at the rate of 15 percent (plus applicable surcharge and education cess) provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income. Further, STCG arising from transfer of units of business trust which were acquired in consideration of a transfer as referred to in the section 47(xvii) of the Act, shall not be eligible for the concessional rate of 15 percent as per section 111A of the Act.

- STCG arising on sale of equity shares or units of equity oriented mutual fund or unit of business trust where such transaction is not chargeable to STT shall be taxable at the rate of 30 percent (plus applicable surcharge and education cess).

- STCG arising on any asset not specified above shall be taxable at 30 percent (plus applicable surcharge and education cess).

- As per provisions of Section 70 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short - term as well as long term capital gains. Balance loss, if any, can be carried forward and set-off against capital gains whether long term or short term arising during subsequent eight assessment years.

(b) Capital Gains in case of depreciable assets

As per section 50 of the IT Act, where a capital asset is forming part of block of assets in respect of which depreciation has been allowed under the Act, capital gains shall be computed in the following manner:

- where full value of consideration on account of transfer of any asset forming part of block of asset, as reduced by expenditure incurred wholly or exclusively in connection with transfer, exceeds the written down value of block of assets and actual cost of assets acquired during the year, such excess shall be deemed to be short-term capital gains and taxed accordingly.

- where any block of assets ceases to exist, for the reason that all the assets in that block are transferred, the difference between the consideration arising on result of transfer and the written down value of block of assets and the actual cost of assets acquired during the year, shall be deemed to be short-term capital gains/ (losses) and taxed accordingly

(c) Exemption of capital gains from income tax

- Under Section 54EC of the Act, capital gains arising from transfer of long term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain is invested within a period of six months from the date of transfer in bonds redeemable after three years and issued by -:

    - National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and

    - Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.

- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The exemption in respect of investment in the aforesaid bonds during the financial year in which the original asset or assets are transferred and in the subsequent financial year cannot exceed Rs 5,000,000.

- Where the new bonds acquired and exempt under section 54EC of the Act are transferred or converted into money within three years from the date of their acquisition, the amount so exempted shall be taxable as capital gains in the year of transfer / conversion.

- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

(d) Securities Transaction Tax ('STT')

- As per provisions of section 36(1)(xv) of the Act, STT paid in respect of taxable securities transactions entered into in the course of business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

- STT shall not be allowed as deduction in computing the income chargeable under the head 'Capital gains'.

(e) Other Provisions:

- As per the provisions of Section 35DD of the Act, any expenditure incurred by an Indian Company, wholly and exclusively for the purpose of amalgamation/ demerger of an undertaking shall be allowed as deduction to the extent of one-fifth of such expenditure for each of five successive previous years beginning with the previous year in which the amalgamation/ demerger takes place.

- As per the provisions of Section 72A of the Act, pursuant to business re-organizations (such as amalgamation, demerger, etc), the successor company shall be allowed to carry forward any accumulated tax losses/ unabsorbed depreciation of the predecessor company subject to fulfillment of prescribed conditions.

- As per provisions of Section 80G of the IT Act, the assessee is entitled to claim deduction of a specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section. As per provisions of Section 80GGB of the IT Act, the assese is entitled to claim deduction amounting to 100% of any sum contributed to any political party or an electoral trust. However, no deduction shall be allowed under this section in respect of any sum contributed by way of cash.

B. Benefits to the members / shareholders of the Company under the Act

Resident members/shareholder

(a) Dividends exempt under section 10(34) of the Act

- Under section 10(34) of the Act, income earned by way of dividend (interim or final) from a domestic company referred to in section 115O of the Act is exempt from income tax in the hands of the shareholders.

- As per Finance Act 2016 as amended by Finance Act 2017, income by way of dividend (subject to DDT) in excess of Rs 10 lakhs is chargeable to tax @ 10% (plus applicable surcharge and education cess) in case of resident specified assessee as defined u/s 115BBDA of the Act.

(b) Capital gains

(i) Taxability of capital gains

- Profits and gains from transfer of capital assets are chargeable to capital gains tax.

- Profits and gains from transfer of capital assets are chargeable to capital gains tax.

- Capital assets may be categorized into short term capital assets and long term capital assets based on their nature and period of holding.

- Listed securities or units of UTI or units of equity oriented mutual fund or zero coupon bonds are considered as long term capital assets if they are held for period exceeding 12 months. These assets are short term capital assets if held for 12 months or less.

- Unlisted shares in a company shall be considered as long term capital asset if held for period exceeding 24 months. These assets are short term capital assets if held for 24 months or less.

- Assets, other than those mentioned above, are considered as long term capital assets, if they are held for more than 36 months, otherwise they are treated as Short term capital assets.

- Capital gains arising on transfer of long term capital assets are considered as "Long Term Capital Gains". Capital gains arising on transfer of short term capital assets are considered as "Short Term Capital Gains"

- As per provisions of section 47(xvii) of the Act, any transfer of shares of a Special Purpose Vehicle ('SPV') to a business trust in exchange of units allotted by that trust to the transferor is exempt from Capital Gains Tax.

- As per provisions of section 56(2)(ix), advance received and forfeited in relation to a transfer of capital asset shall be taxable under the head 'Income from Other Sources' and shall not be reduced from the cost of written down value or the fair market value, as the case may be, in computing the cost of acquisition of such capital asset.

Long Term Capital Gains ('LTCG')

- LTCG arising on transfer of equity shares of a company or units of an equity oriented fund [which has been set up under a scheme of a mutual fund specified under Section 10(23D)] is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to fulfillment of conditions specified in that section.

- The exemption under section 10(38) of the IT Act would not be available, if such shares are purchased on or after October 1, 2004 and are not chargeable to STT, unless such purchase transaction is notified by the Government. The Central Board of Direct Taxes ("CBDT") has vide Notification no. F. No. 43/2017 dated June 5, 2017 notified all transactions of acquisition of equity share entered into on or after the October 1, 2004 which are not chargeable to STT, other than those specifically listed in the notification.

- LTCG arising on transfer of unit of business trust is also exempt as per provisions of section 10(38) of the Act, provided the transaction is chargeable to STT and subject to fulfilment of conditions specified in that section.

- Income by way of LTCG, which is exempt under Section 10(38) of the Act, shall be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.

- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is to be computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.

- As per provisions of Section 112(1) of the Act, LTCG which are not exempt under Section 10(38) of the Act are subject to tax at the rate of 20 percent (plus applicable surcharge and education cess). However, as per the proviso to section 112(1) of the Act, if the tax on LTCG resulting on transfer of listed securities (other than a unit) or zero coupon bond, calculated at the rate of 20 percent with indexation benefit exceeds the tax on LTCG computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at concessional rate of 10 percent (plus applicable surcharge and education cess).As per provisions of Section 70 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, can be carried forward and set-off only against long term capital gains arising during subsequent eight assessment years.

Short Term Capital Gains ('STCG)

- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund are subject to tax at the rate of 15 percent (plus applicable surcharge and education cess) provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

- STCG arising on sale of unit of business trust are also subject to tax at the rate of 15 percent (plus applicable surcharge and education cess) provided the transaction is chargeable to STT. No -deduction under Chapter VIA is allowed from such income. Further, STCG arising on transfer of units of business trust which were acquired in consideration of a transfer as referred to in the section 47(xvii) of the Act, shall not be eligible for the concessional rate of 15 percent as per section 111A of the Act. STCG arising on sale of equity shares or units of equity oriented mutual fund where such transaction is not chargeable to STT shall be taxable at progressive slab rate (plus applicable surcharge and education cess).

- STCG, arising on any asset not specified above shall be taxable at 30 percent (plus applicable surcharge and education cess)

- As per provisions of Section 70 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long - term capital gains. Balance loss, if any, can be carried forward and set-off against capital gains whether long term or short term arising during subsequent eight assessment years.

(ii) Exemption of capital gains arising from income tax

- As per Section 54EC of the Act, capital gains arising from the transfer of a long term capital asset are exempt from capital gains tax if such capital gains is invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.

- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. As per amendment by Finance (No. 2) Act 2014, the investment in the aforesaid bonds during the financial year in which the original asset or assets are transferred and in the subsequent financial year cannot exceed Rs 5,000,000.

- Where the new bonds acquired and exempt under section 54EC of the Act are transferred or converted into money within three years from the date of their acquisition, the amount so exempted shall be taxable as capital gains in the year of transfer / conversion.

- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

- In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family (‘HUF’).

- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares shall be exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of one new residential house in India, or for construction of one residential house in India within three years from the date of transfer and subject to conditions and to the extent specified therein.

- As per provisions of Section 56(2)(vii), (viia) of the Act and subject to exception provided in respective proviso therein, where an individual or HUF, a firm or company (not being a company in which public are substantially interested) receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head ‘income from other sources’.

(iii) Securities Transaction Tax (‘STT’)

- As per provisions of section 36(1)(xv) of the Act, STT paid in respect of taxable securities transactions entered into in the course of business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head ‘Profit and gains of business or profession’. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

- STT shall not be allowed as deduction in computing the income chargeable under the head 'Capital gains'.

Non-resident members/shareholders

(a) Dividends exempt under section 10(34) of the Act

- Under section 10(34) of the Act, income earned by way of dividend (interim or final) from a domestic company referred to in section 115O of the Act is exempt from income tax in the hands of the shareholders.

(b) Capital gains

- The benefits available to resident shareholders are also available to non-resident shareholders except in case of taxability of long term capitals gains, other than capital gains exempt under section 10(38) of the Act.

- As per the provisions of section 112(1)(c) of the Act, long term capital gains arising in the hands of a non-resident shall be chargeable to tax as follows

  - Long terms capital gains arising from transfer of unlisted securities including shares of a Private Company shall be taxable at the rate of 10 percent (plus applicable surcharge and education cess), without indexation and without giving effect to the first proviso to section 48

  - In other cases, capital gains shall be taxable at the rate of 20 percent (plus applicable surcharge and education cess)

- As per the first proviso to section 48 of the Act, in case of non-residents, who have made investments in shares of an Indian company in foreign currency, capital gains shall be computed in the same foreign currency in which shares were originally acquired by the non-resident. The rates of exchange that need to be adopted for the purposes of currency conversion are also prescribed under the Act. However, in such case, no Inflation linked adjustment (indexation) shall be made to the "cost of acquisition" and "cost of improvement" of the shares purchased in foreign currency.

(c) Beneficial rate of withholding on payment of interest to non-residents

- As per provisions of section 194LC of the Act, concessional rate of withholding tax at 5 percent would apply on interest paid by an Indian company or a business trust on monies borrowed by the Indian company in foreign currency from a source outside India:

  - under a loan agreement in respect of monies borrowed by it at any time on or after the 1 July 2012 but before 1 July 2017; or

  - by way of issue of long-term infrastructure bonds at any time on or after 1 July 2012 but before 1 October 2014; or

  - by way of issue of any long-term bond including long-term infrastructure bond at any time on or after 1 October 2014 but before 1 July 2017,

  as approved by the Central Government in this behalf

(d) Tax treaty benefits

- As per provisions of Section 90 (2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate and provide necessary additional information as may be prescribed to claim benefits under the applicable tax treaty.

(e) Special scheme for Non-Resident Indian ('NRI) where shares have been subscribed in convertible foreign exchange - Option of taxation under Chapter XII-A of the Act:

- NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India. NRI being shareholders of an Indian company, have the option under section 115-I of the Act, of being governed by the provisions of Chapter XII-A of the Act, which inter-alia entitles them to the following benefits in respect of income from shares of an Indian company acquired, purchased or subscribed to in convertible foreign exchange.

- As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets being shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange shall be taxable at the rate of 10 percent (plus applicable surcharge and education cess).

- As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets) arising to a NRI shall be taxable at the rate of 20 percent (plus applicable surcharge and education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.

- As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates referred to in section 10(4B) within six months from the date of such transfer, subject to the extent and conditions specified in that section. If such new asset is transferred or converted into money within a period of 3 years from the date of acquisition, the amount of capital gains exempted earlier would be taxable as LTCG in such year.

- As per provisions of Section 115G of the Act, where the total income of a NRI consists only of income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.

C. Benefits available to Foreign Institutional Investors ('FIIs') under the Act

(a) Dividends exempt under section 10(34) of the Act

- Under section 10(34) of the Act, income earned by way of dividend (interim or final) from a domestic company referred to in section 115O of the Act is exempt from income tax in the hands of the shareholders.

(b) Characterization of income in case of FIIs

- Under section 2(14) of the Act, any securities held by FII in accordance with the regulations made under the Securities and Exchange Board of Income Act, 1992 would be treated as capital asset and any income arising on transfer of such security would be in the nature of capital gain.

(c) Long term capital gains exempt under section 10(38) of the Act

- LTCG arising on sale of equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act.

(d) Capital gains

- As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB) shall be taxable at the rate of 20 percent (plus applicable surcharge and education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.

- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities shall be taxable as follows:

Nature of income	Rate of Tax (percent)
LTCG on securities (other than exempt under section 10(38))	10*

Nature of income	Rate of Tax (percent)
STCG on securities subjected to STT (u/s 111A)	15*
STCG on securities not subjected to STT	30*

* Plus applicable Surcharge and Education cess

- The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

(e) Tax Treaty benefits

- As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the Double Taxation Avoidance Agreement (Tax Treaty) between India and the country of residence of the FII, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate and provide necessary additional information as may be prescribed to claim benefits under the applicable tax treaty.

(f) Withholding tax

- As per sub-section (2) of section 196D, no tax is to be deducted by the payer in respect of any income, by way of capital gains arising from transfer of securities specified in Section 115AD of the Act payable to FII's

- As per section 194LD of the Act, tax is to be deducted by the payer at 5 percent (plus applicable surcharge and education cess) in respect of interest paid to FIIs, if the interest is paid between 1st June, 2013 to 1st July 2020 in respect of investment made by FIIs in a rupee denominated bond of an Indian company or a government security provided the rate of interest on Indian Company bond shall not exceed the notified rate.

- As per section 206AA of the Act, any person who is entitled to receive any sum or income or amount on which tax is deductible under Chapter XVIIB of the Act shall furnish his Permanent Account Number to the person responsible for deducting such tax, failing which tax shall be deducted at the rate mentioned in the relevant provisions of the Act or at the rate in force or at the rate of twenty per cent, whichever is higher. However, the provisions section 206AA shall not apply to a non-resident, not being a company, or to a foreign company, subject to prescribed conditions w.e.f. 1st June, 2016.

- In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the FII has fiscal domicile.

D. Benefits available to Mutual Funds under the Act

(a) Dividend income

- Dividend income, if any, from the investment of mutual funds in shares of a domestic Company will be exempt from tax under section 10(34) read with section 115O of the Act.

- As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions. However, the Mutual Funds shall be liable to pay tax on distributed income to unit holders under Section 115R of the IT Act.

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders. Accordingly, any change or amendment in the laws/regulation, which when implemented would impact the same.

2. The general tax benefits are subject to several conditions and eligibility criteria which need to be examined for precise tax implications.

3. The above statement of possible direct tax benefits sets out the provisions of law in summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares.

4. In respect of non-residents, the tax rates and the consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

5. In view of the individual nature of tax consequences, investors are advised to consult their tax advisors with respect to specific tax implications arising out of their participation in the issue.

UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is a general description of certain material United States federal income tax consequences to U.S. Holders and Non-U.S. Holders under present law of an investment in the Equity Shares. This summary applies only to investors that hold the Equity Shares as capital assets (generally, property held for investment). This discussion is based on the tax laws of the United States as in effect on the date of this Preliminary Placement Document; U.S. Treasury regulations in effect as of the date of this Preliminary Placement Document; judicial and administrative interpretations thereof available on or before such date; and the Convention Between the Government of the United States of America and the Government of the Republic of India for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (the "US India Treaty"). All of the foregoing authorities are subject to change, which change could apply retroactively and could affect the tax consequences described below.

The following discussion does not address alternative minimum tax considerations or state, local, non-United States or other tax laws, or the tax consequences to any particular investor or to persons in special tax situations such as:

- banks;
- certain financial institutions;
- insurance companies;
- dealers in stocks, securities, currencies or notional principal contracts;
- U.S. expatriates and former long-term residents of the United States;
- regulated investment companies and real estate investment trusts;
- tax-exempt entities, including companies classified as foreign governments for U.S. federal income tax purposes;
- U.S. Holders that have a functional currency other than the U.S. dollar;
- persons holding an Equity Share as part of a straddle, hedging, conversion or integrated transaction;
- persons that actually or constructively own 10% or more of the Company's voting stock;
- persons who acquired Equity Shares pursuant to the exercise of any employee share option or otherwise as consideration; or
- persons holding Equity Shares through partnerships or other pass-through entities.

For purposes of this summary, a "**U.S. Holder**" is a beneficial owner of Equity Shares that is for United States federal income tax purposes,

- an individual who is a citizen or resident of the United States;
- a corporation organized under the laws of the United States, any state thereof or the District of Columbia;
- an estate whose income is subject to United States federal income taxation regardless of its source; or
- a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions of the trust, or (2) has a valid election in effect under the applicable U.S. Treasury regulations to be treated as a U.S. person.

A "**Non-U.S. Holder**" is a beneficial owner of Equity Shares that is not a U.S. Holder. If you are a partner in a partnership, or other entity taxable as a partnership for United States federal income tax purposes, that holds Equity Shares, your tax treatment generally will depend on your status and the activities of the partnership. Prospective purchasers of Equity Shares that are partnerships should consult their tax advisors.

PROSPECTIVE PURCHASERS ARE URGED TO CONSULT THEIR TAX ADVISORS REGARDING THE APPLICATION OF THE UNITED STATES FEDERAL TAX RULES TO THEIR PARTICULAR CIRCUMSTANCES AS WELL AS THE STATE AND LOCAL, FOREIGN AND OTHER TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF EQUITY SHARES.

U.S. Holders

Taxation of Distributions on the Equity Shares

Subject to the PFIC rules discussed below, the gross amount of distributions to you with respect to the Equity Shares generally will be included in your gross income in the year received as foreign source ordinary dividend income, but only to the extent that the distribution is paid out of the Company's current or accumulated earnings and profits (as determined under United States federal income tax principles). To the extent that the amount of the distribution exceeds the Company's current and accumulated earnings and profits, it will be treated first as a tax-free return of your tax basis in your Equity Shares, and to the extent the amount of the distribution exceeds your tax basis, the excess will be taxed as capital gain. However, the Company does not intend to calculate its earnings and profits under United States federal income tax principles. Therefore, a U.S. Holder should expect that a distribution will generally be treated as a dividend. The dividends will not be eligible for the dividends-received deduction allowed to corporations in respect of dividends received from other U.S. corporations.

Subject to applicable limitations, with respect to non-corporate U.S. Holders (including individual U.S. Holders), dividends may constitute "qualified dividend income" that is taxed at the lower applicable capital gains rate provided that (1) the Company is not a PFIC (as discussed below) for either the taxable year in which the dividend is paid or the preceding taxable year, (2) such dividend is paid on Equity Shares that have been held by you for at least 61 days during the 121-day period beginning 60 days before the ex-dividend date, and (3) the Company is eligible for the benefits of the US India Treaty. The Company expects to be eligible for the benefits of the US India Treaty. Further, the Company does not believe it was a PFIC for the taxable year ending March 31, 2017 and does not expect to be a PFIC for the current year or any future years. *Non-corporate U.S. Holders are strongly urged to consult their tax advisors regarding the availability of the lower rate for dividends paid with respect to the Equity Shares.*

The amount of any distribution paid by the Company in a currency other than U.S. dollars (a "**foreign currency**") will be equal to the U.S. dollar value of such foreign currency on the date such distribution is received by the U.S. Holder, regardless of whether the payment is in fact converted into U.S. dollars at that time. If the foreign currency so received is converted into U.S. dollars on the date of receipt, a U.S. Holder generally will not recognize foreign currency gain or loss on such conversion. If the foreign currency so received is not converted into U.S. dollars on the date of receipt, a U.S. Holder will have a basis in the foreign currency equal to its U.S. dollar value on the date of receipt. Gain or loss, if any, realized on the subsequent sale or other disposition of such foreign currency will generally be U.S. source ordinary income or loss. The amount of any distribution of property other than cash will be the fair market value of such property on the date of distribution.

For foreign tax credit purposes, dividends distributed with respect to the Equity Shares will generally constitute "passive category income". A U.S. Holder will not be able to claim a U.S. foreign tax credit for Indian taxes for which the Company is liable and must pay with respect to distributions on the Equity Shares. *The rules relating to the determination of the U.S. foreign tax credit are complex and U.S. Holders should consult their tax advisors to determine whether and to what extent a credit would be available in their particular circumstances.*

Taxation of a Disposition of Equity Shares

Subject to the PFIC rules discussed below, you generally will recognize capital gain or loss on any sale or other taxable disposition of an Equity Share equal to the difference between the U.S. dollar value of the amount realized for the Equity Share and your tax basis (in U.S. dollars) in the Equity Share. If you are a non-corporate U.S. Holder (including an individual U.S. Holder) who has held the Equity Share for more than one year, capital gain on a disposition of an Equity Share generally will be eligible for reduced U.S. federal income tax rates. The deductibility of capital losses is subject to limitations. Any such gain or loss that you recognize generally will be treated as U.S. source income or loss for foreign tax credit limitation purposes.

Because gains on a disposition of an Equity Share generally will be treated as U.S. source, the use of foreign tax credits relating to any Indian income tax imposed upon gains in respect of Equity Shares may be limited. U.S. Holders should consult their tax advisors regarding the application of Indian taxes to a disposition of an Equity Share and their ability to credit an Indian tax against their United States federal income tax liability.

A U.S. Holder that receives foreign currency from the sale or disposition of the Equity Shares generally will realize an amount equal to the U.S. dollar value of such foreign currency on the date of sale or disposition or, if such U.S. Holder is a cash basis or electing accrual basis taxpayer and the Equity Shares are treated as being traded on an "established securities market" for this purpose, the settlement date. If the Equity Shares are so treated and the foreign currency received is converted into U.S. dollars on the settlement date, a cash basis or electing accrual basis U.S. Holder will not recognize foreign currency gain or loss on the conversion. If the foreign currency received is not converted into U.S. dollars on the settlement date, the U.S. Holder will have a basis in the foreign currency equal to its U.S. dollar value on the settlement date. Gain or loss, if any, realized on the subsequent conversion or other disposition of such foreign currency will generally be U.S. source ordinary income or loss.

Medicare Tax

Certain U.S. Holders who are individuals, estates, or trusts are required to pay a 3.8% Medicare surtax on all or part of that holder's "net investment income" or "undistributed net investment income" in the case of an estate or trust, which includes, among other items, dividends on, and capital gains from the sale or other taxable disposition of, the Equity Shares, subject to certain limitations and exceptions. The 3.8% Medicare surtax is determined in a different manner than the regular U.S. income tax. *Prospective investors should consult their own tax advisors regarding the effect, if any, of this surtax on their ownership and disposition of the Equity Shares.*

Information with Respect to Foreign Financial Assets

Individuals and certain entities who are U.S. Holders that own "specified foreign financial assets", including stock of a non-U.S. corporation not held through a financial institution, with an aggregate value in excess of certain dollar thresholds may be required to file an information report with respect to such assets on IRS Form 8938 with their United States federal income tax returns. Penalties apply for failure to properly complete and file IRS Form 8938. *U.S. Holders are encouraged to consult their tax advisors regarding the application of this reporting requirement to their ownership of the Equity Shares.*

Passive Foreign Investment Company

In general, a non-U.S. corporation is considered to be a passive foreign investment company, or a PFIC, for any taxable year if either:

- at least 75% of its gross income is passive income, or
- at least 50% of its assets (based on an average of the quarterly values of the assets during a taxable year) is attributable to assets that produce or are held for the production of passive income.

Passive income for these purposes generally includes dividends, interest, royalties, rents and gains from commodities and securities transactions. The Company will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, 25% or more (by value) of the stock.

Although not free from doubt, the Company does not believe it was a PFIC for its taxable year ending March 31, 2017, and does not expect to be a PFIC for the current year or any future years. However, the determination of whether the Company is a PFIC is a factual determination made annually after the end of each taxable year, and there can be no assurance that the Company will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the composition of the Company's income and assets will vary over time, and (ii) the manner of the application of relevant rules is uncertain in several respects. Furthermore, the Company's PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably. *Prospective purchasers are urged to consult their tax advisors regarding the Company's possible status as a PFIC.*

If the Company is a PFIC for any taxable year during which you hold Equity Shares, you will be subject to special tax rules with respect to any "excess distribution" that you receive and any gain you realize from a sale or other disposition (including a pledge) of the Equity Shares, unless you make a "mark-to-market" election as discussed below. Distributions you receive in a taxable year that are greater than 125% of the average annual distributions you received during the shorter of the three preceding taxable years or your holding period for the Equity Shares will be treated as an excess distribution. Under these special tax rules:

- the excess distribution or gain will be allocated rateably over your holding period for the Equity Shares,
- the amount allocated to the current taxable year, and any taxable year prior to the first taxable year in which the Company became a PFIC, will be treated as ordinary income, and
- the amount allocated to each other year will be subject to the highest tax rate in effect for that year and the interest charge generally applicable to underpayments of tax will be imposed on the resulting tax attributable to each such year.

The tax liability for amounts allocated to years prior to the year of disposition or "excess distribution" cannot be offset by any net operating losses for such years, and gains (but not losses) realized on the sale of the Equity Shares cannot be treated as capital, even if you hold the Equity Shares as capital assets.

If the Company is a PFIC for any year during which you hold Equity Shares, the Company generally will continue to be treated as a PFIC with respect to you for all succeeding years during which you hold Equity Shares, regardless of whether the Company in fact continues to meet the income or asset test described above.

In addition, if the Company is treated as a PFIC, to the extent any of its direct or indirect subsidiaries (if any) are also PFICs, you may be deemed to own shares in such subsidiaries (if any) and you may be subject to the adverse PFIC tax consequences with respect to the shares of such subsidiaries (if any) that you would be deemed to own.

Qualified electing fund election

To mitigate the application of the PFIC rules discussed above, a U.S. Holder may make an election to treat the Company as a qualified electing fund ("**QEF**") for U.S. federal income tax purposes. To make a QEF election, the Company must provide U.S. Holders with information compiled according to U.S. federal income tax principles. The Company does not currently intend to prepare or provide the information that would enable you to make a QEF election.

Mark-to-market election

A U.S. Holder of "marketable stock" (as defined below) in a PFIC may make a mark-to-market election with respect to such stock to elect out of the tax treatment discussed above, although it is possible the mark-to-market election may not apply or be available with respect to the shares in the Company's subsidiaries (if any) to the extent they are PFICs that you may be deemed to own if the Company is treated as a PFIC, as discussed above. If you make a valid mark-to-market election for the Equity Shares, you will include in income each year an amount equal to the excess, if any, of the fair market value of the Equity Shares as of the close of your taxable year over your adjusted basis in such Equity Shares. You are allowed a deduction for the excess, if any, of the adjusted basis of the Equity Shares over their fair market value as of the close of the taxable year. However, deductions are allowable only to the extent of any net mark-to-market gains on the Equity Shares included in your income for prior taxable years. Amounts included in your income under a mark-to-market election, as well as gain on the actual sale or other disposition of the Equity Shares, are treated as ordinary income. Ordinary loss treatment also applies to the deductible portion of any mark-to market loss on the Equity Shares, as well as to any loss realized on the actual sale or disposition of the Equity Shares, to the extent that the amount of such loss does not exceed the net mark-to-market gains previously included for such Equity Shares. Your basis in the Equity Shares will be adjusted to reflect any such income or loss amounts. If you make such an election, the tax rules that apply to distributions by corporations that are not PFICs generally would apply to distributions by the Company, except that the lower applicable capital gains rate with respect to qualified dividend income (discussed above) would not apply.

The mark-to-market election is available only for "marketable stock", which is stock that is traded in other than de minimis quantities on at least 15 days during each calendar quarter on a qualified exchange or other market, as defined in the applicable U.S. Treasury regulations. Under applicable U.S. Treasury regulations, a "qualified exchange" includes a foreign exchange that is regulated by a governmental authority in the jurisdiction in which the exchange is located and in respect of which certain other requirements are met. *U.S. Holders of Equity Shares should consult their own tax advisors as to whether the Equity Shares would qualify for the mark-to-market election.*

PROSPECTIVE PURCHASERS ARE URGED TO CONSULT THEIR TAX ADVISOR REGARDING THE APPLICATION OF THE PFIC RULES TO THEIR INVESTMENT IN EQUITY SHARES, AND THE AVAILABILITY AND ADVISABILITY OF ANY ELECTIONS.

Non-U.S. Holders

A Non-U.S. Holder generally should not be subject to U.S. federal income or withholding tax on any distributions made on the Equity Shares or gain from the sale, redemption or other disposition of the Equity Shares unless: (i) that distribution and/or gain is effectively connected with the conduct by that Non-U.S. Holder of a trade or business in the United States; or (ii) in the case of any gain realized on the sale or exchange of an Equity Share by an individual Non-U.S. Holder, that Non-U.S. Holder is present in the United States for 183 days or more in the taxable year of the sale, exchange or retirement and certain other conditions are met.

Information Reporting and Backup Withholding

Dividend payments with respect to Equity Shares and proceeds from the sale, exchange or redemption of Equity Shares may be subject to information reporting to the Internal Revenue Service and possible U.S. backup withholding under certain circumstances.

Backup withholding will not apply, however, to a U.S. Holder who furnishes a correct taxpayer identification number and makes any other required certifications or who is otherwise exempt from backup withholding. U.S. Holders who are required to establish their exempt status generally must provide such certification on Internal Revenue Service Form W-9. U.S. Holders should consult their tax advisors regarding the application of the U.S. information reporting and backup withholding rules. Non-U.S. Holders may be required to comply with applicable certification procedures to establish that they are not U.S. Holders in order to avoid the application of such information reporting requirements and backup withholding.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against your U.S. federal income tax liability, and you may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for refund with the Internal Revenue Service and furnishing any required information.

U.S. Holders that hold Equity Shares in any year in which the Company is a PFIC, may be required to file Internal Revenue Service Form 8621 with respect to their ownership of the Equity Shares. In addition, U.S. Holders may be required to file additional information with respect to their ownership of the Equity Shares.

LEGAL PROCEEDINGS

Our Company and its Subsidiaries are, subject to various legal proceedings from time to time, mostly arising in the ordinary course of their businesses including tax proceedings. Our Company believes that the number of proceedings and disputes in which our Company and its Subsidiaries are involved is not unusual for a company of our size in the context of doing business in India.

Except as disclosed below, our Company and the Subsidiaries are not involved in any pending legal proceedings: (i) which are quantifiable and exceed ₹55.00 million (being 5% of the consolidated profit after tax for Financial Year 2017); or (ii) which our Company believes could have a material adverse effect on the business, financial condition, profitability or results of operations of our Company on a consolidated basis; or (iii) which are criminal proceedings.

Additionally, our Company has no outstanding defaults in relation to statutory dues payable and defaults in repayment of loans from any bank or financial institution and interest thereon, except as disclosed herein below.

I. Litigation involving our Company

Litigation against our Company

Criminal matter

South Delhi Municipal Corporation ("**SDMC**") filed a complaint ("**Complaint**") before the Court of Chief Metropolitan Magistrate, Patiala House Courts, New Delhi ("**Court**") against M/S S.M.Y.R. Consortium LLP, all individual partner companies and their respective directors, including our Company and our Director, Mr. Jayant D. Mhaiskar, ("**Defendants**") in relation to bouncing of a post-dated cheque amounting ₹ 105.99 million issued by M/S S.M.Y.R. Consortium LLP in favour of SDMC. Pursuant to the Complaint, our Director filed an exemption application before the Court for the exemption of personal appearance in the aforesaid matter and has also stated that there are no dues remaining payable to SDMC by the Defendants, pursuant to a Supreme Court order. The matter is currently pending.

Civil matters

Public Interest Litigations

1. Baburao Hari Palkar (the "**Petitioner**") has filed a public interest litigation before the High Court of Bombay against NHAI and others, including our Company, in connection with fatal accidents that have taken place on the National Highway No. 4B alleging, *inter alia*, that fatal accidents occur on the said highway due to (i) lack of maintenance of the intersection; (ii) lack of safety planning on the highways; (iii) various illegal entries / exits / U-turns on the National Highway No. 4B; and (iv) no ambulance service or emergency number available in case of accidents on the highway. The Petitioner has prayed, *inter alia*, restriction of illegal gains and movement on National Highway No. 4B and that NHAI be directed to close all illegal entries / exits / U-turns on the National Highway no. 4B, NHAI and any other respondent be directed to set up fencing on both sides of the highway and put rumbling speed breakers and that NHAI and any other respondent be directed to set up an ambulance service along with a patrolling vehicle on both sides of the highway. The matter is currently pending.

2. Shriniwas Anant Ghanekar (the "**Petitioner**") has filed public interest litigations before the High Court of Bombay, against the State of Maharashtra, through principal chief secretary, Public Works Department, MSRDC, and others (being our Promoter, ITIPL, our Company, MIPL, Ideal Road Builders (India) Private Limited, Aryan Toll Road Private Limited, Thane Ghodbunder Toll Road Private Limited and Plus BKSP Toll Limited) (the "**Other Respondents**"). The Petitioner has challenged the acts of the State of Maharashtra, of entering into agreements, and extensions thereof, through MSRDC, for collection of toll and issuing notifications for collection of toll at various toll points, including the Mumbai Entry Points Project. The Petitioner has alleged that execution of the agreements between MSRDC and the Other Respondents for collection of toll was done in an arbitrary manner resulting in unjust profits to the Other Respondents and extra burden of toll upon the general public. The Petitioner has also claimed that rates settled for collection of toll was without considering the correct ratio of minimum yearly growth of traffic and that excess toll has been collected by the Other Respondents. The Petitioner has sought, *inter-alia,* that an enquiry be initiated into the illegalities and irregularities committed by MSRDC in entering into contract agreements for collection of toll. The Petitioner has further prayed that the Other Respondents be directed to return the excess amount of toll collected to the State of Maharashtra. MSRDC has filed an affidavit in reply stating that it has power to levy and recover toll and has accordingly appointed the Other Respondents as toll collection contractors in respect of various projects through competitive bidding process. ITIPL, our Company and MIPL have also filed affidavit in reply stating that toll is being collected on the basis of the notifications issued by the State of Maharashtra. It has further been stated that the State of Maharashtra has awarded the

contracts through a competitive bidding process and after floating tenders. ITIPL, our Company and MIPL have submitted that no excess toll has been collected and that there are no irregularities in entering into the contracts for collection of toll. The matter is currently pending.

Tax matters

1. A search under section 132(1) of the Income Tax Act, 1961 was carried out on the business premises of our Company, MIPL, BTPL, RVPL, A.J. Tolls, Jayant D. Mhaiskar and another by the income tax department where certain documents were found and seized, pursuant to which the an application was made by our Company, MIPL, BTPL, RVPL, A.J. Tolls, Jayant D. Mhaiskar and another (the "**Applicants**") for settlement of income. Our Company had made a settlement application (the "**Settlement Application**") before the Settlement Commission, Additional Bench-II, in relation to assessment years 2006-2007 to 2012-2013. Pursuant to the Settlement Application, the Settlement Commission, Additional Bench-II passed orders under sections 245D(1), 245D(2C) and 245D(4), respectively, of the Income Tax Act, 1961 (the "Settlement Commission Order"), in favour of the Applicants. The Settlement Commission Order granted immunity to the Applicants from penalty and prosecution which may be withdrawn if the Settlement Commission is satisfied that the Applicants had in the course of the settlement proceedings, concealed any particulars material to the settlement or have given false evidence. Further, the Settlement Commission Order shall be void if it is subsequently found by the Settlement Commission that the same has been obtained by fraud or misrepresentation of facts.

   Subsequently, the Commissioner of Income Tax, Central-III and the Assistant Commissioner of Income Tax, Central Circle 36, Mumbai (the "Petitioners") had filed a writ petition before the High Court of Bombay against the Settlement Commission, Additional Bench-II and the Applicants challenging the Settlement Commission Orders. The writ petition has been filed on the grounds, inter alia, that (a) the settlement application did not contain true and adequate disclosure of income which was not taken into account by the Settlement Commission while passing the impugned orders; (b) the Settlement Commission accepted disclosure on account of unrecorded expenditure on the basis of expense vouchers instead of income from unaccounted toll receipts; and (c) the losses claimed in the application filed before the Settlement Commission were not authentic and the Income Tax Department was not given an opportunity to further investigate and examine the claims, thereby precluding a true and full investigation of the disclosure of income. Based on the aforementioned, the Petitioners have sought quashing of the Settlement Commission Orders. The matter is currently pending.

2. The Directorate General of GST Intelligence, Mumbai ("**DGGSTI**") issued a show-cause-cum-demand-notice ("**Notice**") to our Company, in relation to deficiency in payment of service tax on the differential amount between toll collected and concession fees payable to the NHAI aggregating to ₹ 390.24 million. Our Company had furnished the requisite information and documents stating that the toll collection income of our Company could not be classified as business auxiliary service and therefore no liability to pay service tax arose. We are contesting the matter and the same is currently pending.

Stamp Duty matters

1. Our Company has received six notices issued by the stamp duty collectors of Firozabad or Ghaziabad district, Uttar Pradesh ("**Notices**"), demanding a sum aggregating to ₹ 106.78 million including interest payable, with respect to deficiency of stamp duty on instruments which were entered into by our Company for the purpose undertaking toll collection activities on certain erstwhile toll plazas. Since the issue of Notices, the terms of toll plazas have expired and our Company no more operates those toll plazas. Challenging the Notices, our Company had filed six writ petitions ("**Writ Petitions**") before the High Court of Allahabad ("**High Court**"). Subsequently, the High Court passed an order restraining the State Government and the authorities, from taking any coercive steps in relation to the Notices. The matter is currently pending.

II. Litigation involving our Subsidiaries

A. MIPL

Notices

The Directorate General of GST Intelligence, Mumbai ("**DGGSTI**") issued a show-cause-cum-demand-notice ("**Notice**") to MIPL, in relation to deficiency in payment of service tax on the differential amount between toll collected and concession fees payable to the MSRDC aggregating to ₹ 1,832.93 million. Our Company, on behalf of MIPL had furnished the requisite information and documents stating that the toll collection income of MIPL could not be classified as business auxiliary service and therefore no liability to pay service tax arose. We are contesting the matter and the same is currently pending.

B. RTBPL

Litigation against RTBPL

Civil matters

1. The Directorate General of GST Intelligence, Mumbai ("**DGGSTI**") issued a show-cause-cum-demand-notice ("**Notice**") to RTBPL, in relation to deficiency in payment of service tax on the differential amount between toll collected and concession fees payable to the HRBC aggregating to ₹ 74.25 million. Our Company, representing RTBPL had furnished the requisite information and documents stating that the toll collection income of our RTBPL could not be classified as business auxiliary service and therefore no liability to pay service tax arose. We are contesting the matter and the same is currently pending.

C. RTRPL

Litigation filed by RTRPL

Civil Proceedings

1. RTRPL has filed a writ petition ("**Petition**") against the Principal Secretary, Transport, Government of Tamil Nadu before the High Court Madras ("**High Court**") in relation to payment of toll fees by the Tamil Nadu State Transportation Corporation (Madurai) Limited ("**TNSTC**"). RTRPL in the Petition, stated that pursuant to the notifications issued by the NHAI ("**NHAI Notifications**"), a month toll pass only included a total of 50 rides and the TNSTC buses have surpassed the limit provided under the NHAI Notifications, subsequent to which TNSTC buses failed to pay the excess toll fees on a monthly basis. Further, RTRPL raised a claim amounting to ₹ 240.27 million, inclusive of penalties, as an amount receivable from TNSTC on account of failure to pay toll fees. Separately, TNSTC ("**TNSTC Petition**") has filed a writ petition ("**TNSTC Petition**") seeking to quash the NHAI Notifications. The matter is currently pending before the High Court.

D. MEP CB

Litigation by MEP CB

Civil Proceedings

1. MEP CB had filed a writ petition before the High Court of Delhi ("**High Court**") in relation to the Chennai Bypass Project, seeking quashing of the user fee notification issued by the NHAI (the "**Notification**") and the user fee validation orders issued by MoRTH pursuant to the Notification in relation to the Chennai Bypass. MEP CB challenged the Notification and the validation orders on the grounds that, *inter alia*, (i) the Notification and the impugned orders do not provide for additional user fee applicable where the toll highway includes a permanent bridge within five kilometers of the municipal or town area limits and are, thus, void; and (ii) the memorandum of understanding executed between NHAI and the Tamil Nadu Road Development Company Limited to facilitate and extend support to various projects proposed to be undertaken in the State of Tamil Nadu is in violation of NHAI's obligations under the MEP CB Concession Agreement including the obligation to ensure that no competing roads are constructed. MEP CB further claimed revision in the rates of toll laid down pursuant to the impugned Notification. The High Court directed the matter to proceed for amicable solution. The Executive Committee of NHAI, at its meeting, considered and approved the setting up of five additional toll booths at the Chennai Bypass section by MEP CB, subject to MEP CB dropping its demand of revision in rates of toll. Further, at the meeting of the 3CGM Amicable Settlement Committee of NHAI (**"3CGM Meeting**"), it was settled that MEP CB shall submit an undertaking regarding no claim for the Maduravoyal bridge and that MEP CB shall be entitled to construct toll booths at five additional locations and NHAI agreed that no adverse action will be pressed on MEP CB for shortfall in fee remittance till the assessment of revenue loss due to toll evasion is made. Subsequently, the 3CGM Meeting had failed as the recommendations made thereto were not aggregable to MEP CB, as result of which the NHAI vide a notice invoked arbitration process in terms of Article 36.3 of MEP CB Concession Agreement. Whilst MEPCB had appointed an arbitrator and conveyed the details of the arbitrator to the NHAI, the NHAI is yet to appoint to an arbitrator. The arbitration proceedings are yet to commence and the matter is currently pending.

E. MEP RGSL

Litigation against MEP RGSL

Public interest litigation

Ketan Tirodkar (the "**Petitioner**") has filed a public interest litigation before the High Court of Bombay against MEP RGSL, MSRDC, Ministry of Home Affairs, Government of Maharashtra ("**Home Ministry**") and the State of Maharashtra (through the Public Works Department) in connection with a suicide incident that took place at RGSL alleging that the infrastructure and security measures at RGSL are inadequate to prevent suicide incidents and possible sabotage by terrorists due to, *inter alia*, (i) insufficient CCTV cameras to ensure monitoring at the bridge; (ii) insufficient infrastructure and guards and with no expertise to prevent untoward incidents like suicide, murder, terror attack, plantation of a bomb, etc.; and (iii) no coast guard and naval installation in the vicinity of the sea link. The Petitioner has prayed, *inter alia*, that MEP RGSL be directed to undertake efforts to remedy the same, that our Company and MSRDC be directed to pay compensation to the Government for failing to install sufficient security and surveillance infrastructure and that the Home Ministry be directed to register a first information report into the criminal negligence on the part of MPE RGSL and MSRDC that led threat to the security and safety of the common man and the city of Mumbai. The matter is currently pending.

F. MEP HB

Litigation involving MEP HB

Public Interest Litigation

1. Mr. Ravindra Vara Kumar, an individual ("**Petitioner**"), filed a public interest litigation ("**Petition**") against the Union of India and others, wherein MEP HB is a party, before the High Court of Hyderabad ("**High Court**"), in relation to the proper maintenance of the Hyderabad – Bangalore Project, failure in prevention of the occurrence of the accidents and the subsequent loss of lives and excess charging of toll fees. The Petitioner through the Petition has requested the High Court to direct MEP HB and the NHAI to provide the necessary amenities and safety precautions and to carry out all the repairs and maintenance on the Hyderabad – Bangalore Project by rectification of all the existing defects, deficiencies. The matter is current pending.

G. Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company

Nil

H. Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of our Company and all of its subsidiaries and prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter

Nil

I. Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of our Company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed

Our promoter, Ideal Toll & Infrastructure Pvt. Ltd. ("**ITIPL**") had filed an appeal before the Commissioner of Income Tax (Appeals)-14 ("**CIT(A)**") against the order passed by Deputy Commissioner of Income Tax, Circle 6(1) ("**DCIT**"). The impugned order was passed by the DCIT in relation to a demand of ₹ 10.65 million pursuant to a notice issued by the Income Tax Officer u/s 143(2) of the Income Tax Act, 1961 for the assessment year 2010-11. The CIT(A) had partly allowed the Appeal vide its order against which ITIPL had filed an appeal before the Income Tax Appellate Tribunal. The matter is currently pending.

J. Details of default in repayment of (i) statutory dues; (ii) debentures and interest thereon; (iii) deposits and interest thereon; (iv) loan from any bank or financial institution and interest thereon

(i) *Statutory Dues*

Sr. No	Company Name	Details	Amount Involved (in million)	Duration of the Default	Present status
1	Our Company	TDS	72.07	Since March, 2017	Unpaid
		Service Tax	1.46	Since June, 2017	Paid on March 22, 2018
		Maharashtra VAT	1.24	Since June, 2017	Paid on March 22, 2018

Sr. No	Company Name	Details	Amount Involved (in million)	Duration of the Default	Present status
		GST	97.24	Since July, 2017	Unpaid
		Provident Fund	4.00	Since October, 2017	Unpaid
		ESIC	3.05	Since October, 2017	Unpaid
2	MSAKRPL	TDS	12.98	January, 2017 and February, 2017	Unpaid
3	MSKWRPL	TDS	14.37	January, 2017 and February, 2017	Unpaid
4	MSMKRPL	TDS	17.42	August, 2017 and December, 2017	Unpaid
5	RTRPL	TDS	0.91	Since December, 2017	Paid on March 22, 2018
6	MEP Infraprojects Private Limited	Profession Tax	0.11	Since July 2017	Unpaid
7	MEP HS	TDS	3.66	Since March, 2017	Unpaid
		Income Tax	32.04	F.Y. 2015-16 (A.Y. 2016-17)	Unpaid

(ii) *Details of Default in Repayment of any Loan from any Bank or Financial Institution and Interest thereon*

Sr No.	Name of Subsidiary	Name of Bank / FI	Details	Amounts involved in Million	Duration of the Default
1	MIPL	HDFC Ltd	Term loan - Interest & Principal	51.62	Since January 2018
2	MIPL	IDFC Bank Ltd	Term loan - Interest & Principal	69.99	Since March 15, 2018
3	MIPL	IIFCL Ltd	Term loan - Interest & Principal	62.92	Since January 2018
4	MIPL	IDFC Bank Limited – II	Term loan - Interest & Principal	31.36	Since March 15, 2018
5	MIPL	L&T Infra	Term loan - Interest & Principal	47.62	Since February 2018
6	MIPL	Canara Bank	Term loan - Interest & Principal	75.11	Since January 2018
7	MIPL	IIFCL Ltd - Additional Takeout	Term loan - Interest & Principal	26.84	Since January 2018
8	BTPL	Bank of Baroda	Term loan - Interest & Principal	20.09	Since December 2017
9	MEP Tormato Private Limited	Allahabad Bank Limited	Term loan - Interest	23.00	Since March 2018
10	MEP RGSL	Bank of India	Term loan - Principal	30.60	Since February 2018
11	RTBPL	Allahabad Bank Limited	Term loan - Principal	16.60	Since March 15, 2018
12	MEP Infraprojects Private Limited	Janakalyan Sahkari Bank	Term loan - Principal	1.54	Since February 2018
13	MEP Infraprojects Private	Kalyan Janta Sahakari Bank	Term loan - Principal	2.00	Since March 10, 2018

The Company has not issued any debentures or received deposits. Accordingly, there is no default in repayment of (i) debenture and interest thereon; and (ii) deposits and interests thereon.

STATUTORY AUDITORS

Our Company's current statutory auditors, G.D. Apte & Co, Chartered Accountants are independent auditors with respect to our Company as required by the Companies Act and in accordance with the guidelines issued by the ICAI.

The reviewed Ind AS Condensed Financial Statements for the nine months ended December 31, 2017 included in this Preliminary Placement Document, have been prepared by G.D. Apte & Co., Chartered Accountants while the reviewed Ind AS Condensed Financial Statements for the nine months ended December 31, 2016 included in this Preliminary Placement Document, have been prepared by Gokhale & Sathe, Chartered Accountants.

G.D. Apte & Co., Chartered Accountants have conducted limited review on the reviewed Ind AS Condensed Financial Statements as of and for the six months ended September 30, 2017 and for the nine months ended December 31, 2017 included in this Preliminary Placement Document, and Gokhale & Sathe, Chartered Accountants have conducted limited review on the reviewed Ind AS Condensed Financial Statements as of and for the six months ended September 30, 2016 and for the nine months ended December 31, 2016 included in this Preliminary Placement Document. The Ind AS Audited Financial Statements for Fiscal 2016 and Fiscal 2017, included in this Preliminary Placement Document, have been audited by Gokhale & Sathe, Chartered Accountants. The Indian GAAP Audited Financial Statements for Fiscal 2015, included in this Preliminary Placement Document, have been audited by Parikh Joshi & Kothare and BSR & Co and the Indian GAAP Audited Financial Statements for Fiscal 2016, included in this Preliminary Placement Document, have been audited by Gokhale & Sathe, Chartered Accountants and BSR & Co. LLP, Chartered Accountants.

GENERAL INFORMATION

- Our Company was incorporated as MEP Toll Road Private Limited on August 8, 2002, at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956. The name of our Company was changed from MEP Toll Road Private Limited to MEP Infrastructure Developers Private Limited and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Mumbai, to our Company on November 28, 2011. Thereafter, our Company was converted into a public limited company pursuant to approval of the shareholders in an EGM held on August 19, 2014 and consequently, the name of our Company was changed to MEP Infrastructure Developers Limited and a fresh certificate of incorporation consequent upon conversion to public limited company was granted on September 8, 2014. Our Company's Registered Office is located at A 412, Boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri (East), Mumbai 400 072.

- The authorised share capital of the Company is ₹ 2,250.00 million comprising of 2,250,000,00 Equity Shares of ₹ 10 each. Our Company's issued, subscribed and paid-up capital of the Company is ₹ 1625.69 million comprising of 162,569,191 fully paid-up Equity Shares of ₹ 10 each.

- The Equity Shares are listed on BSE and NSE.

- The Issue was authorised and approved by our Board pursuant to a resolution dated May 25, 2017 and by the shareholders of our Company pursuant to a special resolution passed on July 27, 2017.

- Our Company has received in-principle approvals under Regulation 28(1) of the SEBI Listing Regulations to list the Equity Shares to be issued pursuant to the Issue, on BSE and NSE, each dated March 22, 2018.

- Copies of our Memorandum of Association and Articles of Association will be available for inspection between 9:30 a.m. to 5:45 p.m. on any weekday (except Saturdays and public holidays) during the Bid/Issue Period at our Registered Office.

- Except as disclosed in this Preliminary Placement Document, our Company has obtained all consents, approvals and authorisations required in connection with this Issue.

- There has been no material change in the financial or trading position since March 31, 2017, the date of the latest audited financial statements prepared in accordance with applicable accounting standards included in this Preliminary Placement Document, except as disclosed herein.

- G.D. Apte & Co., Chartered Accountants have conducted limited review on the reviewed Ind AS Condensed Financial Statements as of and for the six months ended September 30, 2017 and for the nine months ended December 31, 2017 included in this Preliminary Placement Document, and Gokhale & Sathe, Chartered Accountants have conducted limited review on the reviewed Ind AS Condensed Financial Statements as of and for the six months ended September 30, 2016 and for the nine months ended December 31, 2016 included in this Preliminary Placement Document. The Ind AS Audited Financial Statements for Fiscal 2016 and Fiscal 2017, included in this Preliminary Placement Document, have been audited by Gokhale & Sathe, Chartered Accountants. The Indian GAAP Audited Financial Statements for Fiscal 2015, included in this Preliminary Placement Document, have been audited by Parikh Joshi & Kothare and BSR & Co and the Indian GAAP Audited Financial Statements for Fiscal 2016, included in this Preliminary Placement Document, have been audited by Gokhale & Sathe, Chartered Accountants and BSR & Co. LLP, Chartered Accountants.

- Except as disclosed in this Preliminary Placement Document, there are no litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, see "Legal Proceedings" on page 236.

- The Floor Price is ₹81.49 per Equity Share, calculated in accordance with the provisions of Chapter VIII of the SEBI Regulations.

- The Company may offer a discount of not more than 5% on the Floor Price in terms of Regulations 85 of the SEBI Regulations.

- Harshad Pusalkar is the company secretary and compliance officer of our Company. The details are as follows:

  A 412, Boomerang,
  Chandivali Farm Road,
  Near Chandivali Studio,
  Andheri (East),
  Mumbai 400 072Tel: (91 22) 6120 4800
  Fax: (91 22) 6120 4804
  E-mail: cs@mepinfra.com

  The Company and the BRLMs accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information including our website www.mepinfra.com could be doing so at his or her own risk.

FINANCIAL STATEMENTS

Limited Review Report

Review Report to
The Board of Directors
MEP Infrastructure Developers Limited.

1. We have reviewed the accompanying standalone statement of unaudited financial results of MEP Infrastructure Developers Ltd. ('the Company') for the quarter and nine months ended on December 31 ,2017, (the "Statement") pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34') prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Basis for Qualified Conclusion:

   We draw attention to Note 3 to the Statement which states that the Unaudited Financial Results include outstanding receivables of Rs. 710.14 lakhs as at December 31, 2017 from a jointly controlled entity – SMYR Consortium LLP. In the absence of a balance confirmation from this entity as at December 31, 2017, we are unable to comment on the recoverability of the aforementioned balance and the consequential impact, if any, on the financial statements.

5. Qualified Conclusion:

   Based on our review conducted as above, except for the possible effects of the matter described in 'Basis for Qualified Opinion' paragraph '4' above, nothing has come to our

G.D. APTE & CO. ★ Chartered Accountants ★

Mumbai Office: Office No. 83 – 87, 8th Floor, Mittal Tower, B-Wing, Nariman Point, Mumbai – 400 021, Phone – 022 – 4922 0555, Fax – 022 – 4922 0504; Email – chetan.sapre@gdaca.com.
Pune Office: GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune – 411 038, Phone – 020 – 2528 0081, Fax – 020 – 2528 0275; Email – audit@gdaca.com.

attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standardsas specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other recognized accounting practices and policies has not disclosed the information required to be disclosed, or that it contains any material misstatement.

For G. D. Apte & Co.
Chartered Accountants
Firm registration number: 100515W

Chetan R. Sapre
Partner
Membership No: 116952

Place: Mumbai
Date: February 12, 2018.

MEP INFRASTRUCTURE DEVELOPERS LIMITED

Registered Office: A-412, Boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai - 400072 Web site : www mepinfra com

CIN:L45200MH2002PLC136779

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2017

Part I-Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months Ended 31st December, 2017

(Rs. In Lakhs except Earning per Share)

Sr No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2017 Unaudited	30.09.2017 Unaudited	31.12.2016 Unaudited	31.12.2017 Unaudited	31.12.2016 Unaudited	31.03.2017 Audited
1	**Income**						
	a) Revenue from operations	53,118.21	21,163.76	17,517.98	93,050.04	55,409.09	78,084.33
	b) Other income	254.19	232.30	497.82	824.54	2,536.39	2,915.67
	Total income from operations	**53,372.40**	**21,396.06**	**18,015.80**	**93,874.58**	**57,945.48**	**81,000.00**
2	**Expenses**						
	a) Operating and Maintenance expenses	44,348.62	15,187.61	3,575.75	72,565.17	5,219.54	11,261.07
	b) Employee benefits expense	1,352.60	804.19	802.49	2,857.43	2,359.41	3,278.90
	c) Finance costs	1,291.48	1,179.66	1,393.59	3,714.21	4,530.72	6,008.39
	d) Depreciation and amortisation expense (Refer Note (4))	3,700.06	2,132.36	11,347.60	9,385.09	42,910.02	55,899.49
	e) Other expenses	1,016.37	707.80	572.55	2,255.40	1,381.37	1,875.43
	Total expenses	**51,709.13**	**20,011.62**	**17,691.98**	**90,777.30**	**56,401.06**	**78,323.28**
3	**Profit from operations before exceptional items and Tax (1-2)**	1,663.27	1,384.44	323.82	3,097.28	1,544.42	2,676.72
4	Exceptional Items	-	-	-	-	-	-
5	**Profit from ordinary activities before tax (3-4)**	**1,663.27**	**1,384.44**	**323.82**	**3,097.28**	**1,544.42**	**2,676.72**
6	Tax expense	579.09	477.92	126.72	787.48	537.81	908.89
7	**Net Profit from ordinary activities after tax (5-6)**	**1,084.18**	**906.52**	**197.10**	**2,309.80**	**1,006.61**	**1,767.83**
8	Other Comprehensive Income (OCI)	(6.66)	(6.67)	(2.27)	(19.99)	(6.83)	(26.65)
9	**Total Comprehensive Income**	**1,077.52**	**899.85**	**194.83**	**2,289.81**	**999.78**	**1,741.18**
10	Paid-up equity share capital (Face value of Rs 10/- per share)	16,256.92	16,256.92	16,256.92	16,256.92	16,256.92	16,256.92
11	Reserves excluding Revaluation Reserves as at Balance Sheet date	-	-	-	-	-	43,844.40
12	Basic and Diluted Earnings Per Share (EPS) (of Rs 10 /- each) (not annualised for quarters and nine months)	0.67	0.56	0.12	1.42	0.62	1.09
	(See accompanying notes to the financial results)						

Part II - Standalone Segmental Reporting							(Rs in Lakhs)
Report on Un-Audited Standalone Financial Segment Revenue and Segment Results for the Quarter and Nine Months ended 31 December 2017							
		Quarter Ended			**Nine Months Ended**		**Year Ended**
Sr no.	**Particulars**	**31.12.2017**	**30.09.2017**	**31.12.2016**	**31.12.2017**	**31.12.2016**	**31.03.2017**
		Unaudited	**Unaudited**	**Unaudited**	**Unaudited**	**Unaudited**	**Audited**
1	**Segment Revenue**						
	Toll Collection, Operation & Maintenance	38,006.02	4,796.75	15,159.16	50,124.62	53,050.27	71,747.43
	Construction	15,112.19	16,367.01	2,358.82	42,925.42	2,358.82	6,336.90
	Add/Less :Inter Group Sales						
	Total	**53,118.21**	**21,163.76**	**17,517.98**	**93,050.04**	**55,409.09**	**78,084.33**
2	**Segment result**						
	Toll Collection, Operation & Maintenance	957.29	(758.80)	1,494.16	(86.46)	4,272.61	6,628.60
	Construction	2,358.07	3,550.71	109.26	7,546.49	109.26	718.11
	Total	**3,315.36**	**2,791.91**	**1,603.42**	**7,460.03**	**4,381.87**	**7,346.71**
	Less: Interest	(1,291.48)	(1,179.66)	(1,393.59)	(3,714.21)	(4,530.72)	(6,008.39)
	other Un-allocable Income net off unallocable expenses	(360.61)	(227.81)	113.99	(648.54)	1,693.27	1,338.40
	Total Profit before Tax	**1,663.27**	**1,384.44**	**323.82**	**3,097.28**	**1,544.42**	**2,676.72**
	Other Information						
3	**Segment assets**						
	Toll Collection, Operation & Maintenance	116,806.91	114,474.17	144,988.38	116,806.91	144,988.38	120,397.84
	Construction	95,928.05	92,667.42	31,124.39	95,928.05	31,124.39	66,895.86
	Unallocated assets						
	Total Assets	**212,734.96**	**207,141.59**	**176,112.77**	**212,734.96**	**176,112.77**	**187,293.70**
4	**Segment liabilities**						
	Toll Collection, Operation & Maintenance	60,854.89	58,130.81	85,429.34	60,854.89	85,429.34	58,858.37
	Construction	89,782.43	87,990.66	31,127.84	89,782.43	31,127.84	68,334.01
	Unallocated liabilities	-	-	-			-
	Total Liabilities	**150,637.32**	**146,121.47**	**116,557.18**	**150,637.32**	**116,557.18**	**127,192.38**

MEP Infrastructure Developers Limited ("the Company") have identified business segments in accordance with Indian Accounting Standard 108 "Operating Segment" notified under section 133 of Companies Act 2013, read together with relevant rules issued thereunder. Accordingly, the Company has identified two business segments as mentioned below:

1. Toll Collection, Operation & Maintenance
2. Construction

MEP Infrastructure Developers Ltd

Mumbai

Notes to Standalone Results :

1) The Standalone Un-Audited Financial Statements for the Quarter and Nine Months ended 31 December 2017, have been reviewed and recommended by the Audit Committee and approved and taken on record by the Board of Directors at their respective meetings held on 12 February 2018. The Statutory Auditors has expressed a modified audit opinion thereon.

2) The Standalone Un-Audited Financial Statements are prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the rules made thereunder and in the format as prescribed under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The financial information presented above is extracted from and is harmonized to conform with the Un-Audited Financial Statements.

3) The Company has a receivable from a jointly controlled entity aggregating to Rs. 710.14 lakhs as at 31 December 2017. The management is confident of recovering the same and hence no provision has been made for the same.

4) The depreciation and amortisation expenses includes amortisation of toll collection rights amounting Rs. 3,461.90 lakhs and Rs. 9,035.59 lakhs for the quarter and nine months ended 31 December 2017 respectively (Rs. 11,235.27 lakhs and Rs 42,620.76 lakhs for the quarter and nine months ended 31 December 2016 respectively).

5) Figures relating to the previous period have been regrouped / rearranged, wherever necessary, to make them comparable with those of the current period.

For and on behalf of Board of Directors of
MEP INFRASTRUCTURE DEVELOPERS LIMITED

Jayant D. Mhaiskar
Chairman & Managing Director
DIN: 00716351
Place : Mumbai
Date : 12 February 2018

Limited Review Report

Review Report to
The Board of Directors
MEP Infrastructure Developers Limited.

1. We have reviewed the accompanying standalone statement of unaudited financial results of MEP Infrastructure Developers Ltd. ('the Company') for the quarter and half year ended on September 30th , 2017, (the "Statement") pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34') prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Basis for Qualified Conclusion

   We draw attention to Note 3 to the Statement which states that the Unaudited Financial Results include outstanding receivables of Rs. 710.14 lakhs as at September 30, 2017 from a jointly controlled entity – SMYR Consortium LLP. In the absence of a balance confirmation from this entity as at September 30, 2017, we are unable to comment on the recoverability of the aforementioned balance and the consequential impact, if any, on the financial statements.

G. D. APTE & CO. Chartered Accountants

Pune Office: GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune – 411 038, Phone – 020 – 25280081, Fax – 020 - 25280275
Email – audit@gdaca.com
Mumbai Office: Office No. 83 – 87, 8th Floor, Mittal Tower, B-Wing, Nariman Point, Mumbai – 400 021, Phone – 022 – 4922 0555, Fax – 022 – 4922 0504
Email – chetan.sapre@gdaca.com

5. Qualified Conclusion

Based on our review conducted as above, except for the possible effects of the matter described in 'Basis for Qualified Opinion' paragraph '4' above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standardsas specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Accounts) Rules, 2015 and other recognized accounting practices and policies has not disclosed the information required to be disclosed, or that it contains any material misstatement.

For G. D. Apte & Co.
Chartered Accountants
Firm registration number: 100515W

Chetan R. Sapre
Partner

Membership No: 116952

Place: Mumbai
Date: 14th November, 2017.

Pune Office: GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune – 411 038, Phone – 020 – 25280081, Fax – 020 - 25280275
Email – audit@gdaca.com
Mumbai Office: Office No. 83 – 87, 8th Floor, Mittal Tower, B-Wing, Nariman Point, Mumbai – 400 021, Phone – 022 – 4922 0555, Fax – 022 – 4922 0504
Email – chetan.sapre@gdaca.com

MEP INFRASTRUCTURE DEVELOPERS LIMITED

Registered Office: A-412, Boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai - 400072 Web site : www.mepinfra.com

CIN:L45200MH2002PLC136779

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2017

Part I-Statement of Standalone Unaudited Financial Results for the Quarter and Half Year Ended 30th September, 2017

(Rs. In Lakhs except Earning per Share)

Sr No.	Particulars	Quarter Ended			Half year ended		Year Ended
		30.09.2017 Unaudited	30.06.2017 Unaudited	30.09.2016 Unaudited	30.09.2017 Unaudited	30.09.2016 Unaudited	31.03.2017 Audited
1	**Income**						
	a) Revenue from operations	21,163.76	18,768.07	19,135.17	39,931.83	37,891.11	78,084.33
	b) Other income	232.30	338.05	1,054.83	570.35	2,038.57	2,915.67
	Total income from operations	21,396.06	19,106.12	20,190.00	40,502.18	39,929.68	81,000.00
2	**Expenses**						
	a) Operating and Maintenance expenses	15,187.61	13,028.94	1,126.14	28,216.55	1,643.79	11,261.07
	b) Employee benefits expense	804.19	700.64	778.03	1,504.83	1,556.92	3,278.90
	c) Finance costs	1,179.66	1,243.07	1,529.13	2,422.73	3,137.13	6,008.39
	d) Depreciation and amortisation expense (Refer Note (4))	2,132.36	3,552.67	15,758.84	5,685.03	31,562.42	55,899.49
	e) Other expenses	707.80	531.23	377.99	1,239.03	808.82	1,875.43
	Total expenses	20,011.62	19,056.55	19,570.13	39,068.17	38,709.08	78,323.28
3	**Profit from operations before exceptional items and Tax (1-2)**	1,384.44	49.57	619.87	1,434.01	1,220.60	2,676.72
4	Exceptional Items	-	-	-	-	-	-
5	**Profit from ordinary activities before tax (3-4)**	1,384.44	49.57	619.87	1,434.01	1,220.60	2,676.72
6	Tax expense	477.92	(269.53)	200.66	208.39	411.09	908.89
7	**Net Profit from ordinary activities after tax (5-6)**	906.52	319.10	419.21	1,225.62	809.51	1,767.83
8	Other Comprehensive Income (OCI)	(6.67)	(6.66)	(2.28)	(13.33)	(4.56)	(26.65)
9	**Total Comprehensive Income**	899.85	312.44	416.93	1,212.29	804.95	1,741.18
10	Paid-up equity share capital (Face value of Rs.10/- per share)	16,256.92	16,256.92	16,256.92	16,256.92	16,256.92	16,256.92
11	Reserves excluding Revaluation Reserves as at Balance Sheet date	-	-	-	-	-	43,844.40
12	Basic and Diluted Earnings Per Share (EPS) (of Rs. 10 /- each) (not annualised)	0.56	0.20	0.26	0.75	0.50	1.09

(See accompanying notes to the financial results)

G. D. APTE & CO. Chartered Accountants

MEP INFRASTRUCTURE DEVELOPERS LIMITED

MEP INFRASTRUCTURE DEVELOPERS LIMITED

Registered Office: A-412, Boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai - 400072

Web site : www.mepinfra.com

CIN:L45200MH2002PLC136779

Part II- Statement of Standalone Assets & Liabilities

Particulars	(Rs. In Lakhs) As at 30.09.2017 (Audited)	(Rs. In Lakhs) As at 31.03.2017 (Audited)
I. ASSETS		
1 Non-current assets		
(a) Property, Plant and Equipment	2,702.40	1,883.06
(b) Capital work in progress	-	71.89
(c) Other Intangible assets	8,777.86	13,819.92
(d) Financial Assets		
(i) Investments	73,892.91	67,014.66
(ii) Loans and advances	7,869.29	2,145.59
(iii) Others	6,260.49	6,830.72
(e) Deferred tax assets (net)	244.94	268.24
(f) Non Current Tax Assets	2,849.44	4,044.99
(g) Other non-current assets	38,393.88	46,147.96
	140,991.21	**142,227.03**
2 Current assets		
(a) Financial Assets		
(i) Trade receivables	4,270.89	3,533.57
(ii) Cash and cash equivalents	1,331.51	1,924.81
(iii) Bank balances other than (ii) above	4,307.41	4,204.72
(iv) Loans and advances	8,489.95	10,616.56
(v) Others	15,233.88	8,195.88
(b) Other current assets	32,516.74	16,591.13
	66,150.38	**45,066.67**
Total Assets	**207,141.59**	**187,293.70**
II. EQUITY AND LIABILITIES		
1 Equity		
(a) Equity Share capital	16,256.92	16,256.92
(b) Other Equity	44,763.20	43,844.40
	61,020.12	**60,101.32**
Liabilities		
2 Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	24,516.68	19,951.78
(b) Provisions	281.71	256.08
(c) Other non-current liabilities	49,085.03	41,464.73
	73,883.42	**61,672.59**
3 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	11,752.00	16,540.13
(ii) Trade payables	18,160.93	23,851.11
(iii) Others	20,704.00	8,944.81
(b) Other current liabilities	21,584.72	16,147.34
(c) Provisions	36.40	36.40
	72,238.05	**65,519.79**
Total Equity and Liabilities	**207,141.59**	**187,293.70**

G. D. APTE & CO. Chartered Accountants

MEP INFRASTRUCTURE DEVELOPERS LIMITED

	Part III - Standalone Segmental Reporting						(Rs in Lakhs)
Report on Un-Audited Standalone Financial Segment Revenue and Segment Results for the Quarter ended and Half Year ended 30 September 2017							
		Quarter Ended			Half Year Ended		Year Ended
Sr no.	Particulars	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
		Unaudited	Unaudited	Unaudited			Audited
1	**Segment Revenue**						
	Toll Collection and Operation & maintenance	4,796.75	7,321.85	19,135.17	12,118.60	37,891.11	71,747.43
	Construction	16,367.01	11,446.22	-	27,813.23	-	6,336.90
	Add/Less :Inter Group Sales						
	Total	**21,163.76**	**18,768.07**	**19,135.17**	**39,931.83**	**37,891.11**	**78,084.33**
2	**Segment result**						
	Toll Collection and Operation & maintenance	(758.80)	(284.95)	1,281.85	(1,043.75)	2,778.45	6,628.60
	Construction	3,550.71	1,637.71	-	5,188.42	-	718.11
	Less: Unallocated Corporate expenses	-	-	-	-	-	-
	Total	**2,791.91**	**1,352.76**	**1,281.85**	**4,144.67**	**2,778.45**	**7,346.71**
	Less: Interest	(1,179.67)	(1,243.07)	(1,529.13)	(2,422.74)	(3,137.13)	(6,008.39)
	other Un-allocable Income net off unallocable expenses	(227.80)	(60.12)	867.15	(287.92)	1,579.28	1,338.40
	Total Profit before Tax	**1,384.44**	**49.57**	**619.87**	**1,434.01**	**1,220.60**	**2,676.72**
	Other Information						
3	**Segment assets**						
	Toll Collection and Operation & maintenance	114,474.17	104,876.05	171,915.35	114,474.17	171,915.35	120,397.84
	Construction	92,667.42	77,849.39	-	92,667.42	-	66,895.86
	Unallocated assets						
	Total Assets	**207,141.59**	**182,725.44**	**171,915.35**	**207,141.59**	**171,915.35**	**187,293.70**
4	**Segment liabilities**						
	Toll Collection and Operation & maintenance	58,130.81	46,409.90	112,554.61	58,130.81	112,554.61	58,858.37
	Construction	87,990.66	75,901.78	-	87,990.66		68,334.01
	Unallocated liabilities	-	-	-			-
	Total Liabilities	**146,121.47**	**122,311.68**	**112,554.61**	**146,121.47**	**112,554.61**	**127,192.38**

MEP Infrastructure Developers Limited ("the Company") have identified business segments in accordance with Indian Accounting Standard 108 "Operating Segment" notified under section 133 of Companies Act 2013, read together with relevant rules issued thereunder. Accordingly, the Company has identified two business segments as mentioned below;

1. Toll Collection and Operation & maintenance
2. Construction

G. D. APTE & CO. Chartered Accountants

MEP INFRASTRUCTURE DEVELOPERS LIMITED

Notes

1) The Standalone Un-Audited Financial Statements for the Quarter and Half Year ended 30 September 2017, have been reviewed and recommended by the Audit Committee and approved and taken on record by the Board of Directors at their respective meetings held on 14 November 2017. The Statutory Auditors has expressed a modified audit opinion thereon.

2) The Standalone Un-Audited Financial Statements are prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the rules made thereunder and in the format as prescribed under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The financial information presented above is extracted from and is harmonized to conform with the Un-Audited Financial Statements.

3) The Company has a receivable from a jointly controlled entity aggregating to Rs. 710.14 lakhs as at 30 September 2017. The management is confident of recovering the same and hence no provision has been made for the same.

4) The depreciation and amortisation expenses includes amortisation of toll collection rights amounting Rs. 2,124.88 lakhs and Rs. 5,573.68 lakhs for the quarter and six months ended 30 September 2017 respectively (Rs. 15,670.70 lakhs and Rs 31,385.50 lakhs for the quarter and six months ended 30 September 2016 respectively).

5) Figures relating to the previous period have been regrouped / rearranged, wherever necessary, to make them comparable with those of the current period.

For and on behalf of Board of Directors of
MEP INFRASTRUCTURE DEVELOPERS LIMITED

MEP INFRASTRUCTURE DEVELOPERS LIMITED MUMBAI

Jayant D. Mhaiskar
Vice Chairman & Managing Director
DIN: 00716351
Place : Mumbai
Date : 14 November 2017

G. D. APTE & CO. Chartered Accountants

gokhale & sathe
(regd.)
chartered accountants
308/309, udyog mandir no. 1,
7-c, bhagoji keer marg,
mahim, mumbai 400 016.

Independent Auditor's Report

To the Members of
MEP Infrastructure Developers Limited

Report on the Standalone Ind AS Financial Statements

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

Management's responsibility for the Standalone Ind AS Financial Statements

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

Auditor's responsibility

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

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

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

tel.: (22) 43 48 42 42 | fax : (22) 43 48 42 41 | office@gokhalesathe.in

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

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

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

Basis for Modified Opinion

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

Modified Opinion

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

GOKHALE & SATHE * MUMBAI * FIRM No. 103264W * CHARTERED ACCOUNTANTS

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143 (11) of the Companies Act 2013, we give in the Annexure A statement on the matters specified in paragraph 3 & 4 of the order.

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

a) Except for matter described in the Basis for Modified Opinion paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement, the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

d) Except for the possible effects of the matter described in the Basis for Modified Opinion paragraph above, in our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

e) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Modified opinion paragraph above.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements -Refer Note 36 to the Standalone Ind AS Financial Statements.

GOKHALE & SATHE ★ MUMBAI ★ FIRM No. 103264W ★ CHARTERED ACCOUNTANTS

ii. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the company.

iv. The company has provided requisite disclosures in its Ind AS Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016. However, we are unable to obtain sufficient and appropriate evidence to support the information produced to us by the management. Refer Note 45.

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

Vyavaharkar

CA Yatin Vyavaharkar
Partner
Membership No. 033915
Place: Mumbai
Date: 25th May 2017

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

ANNEXURE A

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

i) a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets for the year.

b) The Company has regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year.

c) According to the information and explanations given to us, the title deeds of the immovable properties are held in the name of the Company.

ii) The Company is engaged in toll collection business. Accordingly, it does not hold any physical inventory. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.

iii) a. During the year the company has granted unsecured loans to eleven companies covered in the register maintained under Section 189 of the Act. In our opinion and according to the information and explanations given to us, the terms and conditions of the loan are not prejudicial to the company's interest.

b. In respect of the loans granted to the companies listed in the register maintained under section 189 of the Act, there is no principal amount due for payment during the year and the borrowers shall repay the principal amount as stipulated in the agreement. However, there is no stipulation of schedule for payment of interest and hence we are unable to make comment on regularity of payment of interest.

c. According to the information and explanations given to us, there is no amount of loan granted to the companies listed in the register maintained under section 189 of the Act, which are overdue and outstanding for more than ninety days.

GOKHALE & SATHE MUMBAI FIRM NO. 103264W CHARTERED ACCOUNTANTS

iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities in respect of which provisions of section 185 and section 186 of the Act are not applicable.

v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits as per the directives issued by the Reserve Bank Of India and the provisions of sections 73 to 76 of the Act and the rules framed. Accordingly, paragraph 3(v) of the order is not applicable to the company.

vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Act, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the records.

vii) a. According to the information and explanations given to us and, on the basis of our examination of the records of the company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Employees State Insurance fund, income tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess have been generally deposited with the appropriate authorites. According to the information and explanations given to us, the company did not have any dues on account of sales-tax, wealth tax, duty of customs, duty of excise and value added tax.

b. According to the information and explanation given to us, there are no undisputed amounts payable in respect of income tax and sales tax or custom duty or excise duty or value added cess or other statutory dues were outstanding, at the year end, for a period more than six months from the date they become payable.

c. According to the information and explanation given to us, there are no dues of income tax, sales- tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account on any dispute except for the following:

GOKHALE & SATHE * MUMBAI * FIRM NO. 103264W * CHARTERED ACCOUNTANTS

Name of the statute	Nature of the Dues	Financial Year to which the amount relates to	Amount (Rs. in lakhs)	Forum where dispute is pending
The Finance Act, 1994	Service Tax	2007-08 to 2011-12	8.171.18	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)

viii) In our opinion and according to the information and explanation given to us, the company had not defaulted in repayments of dues of financial institutions and banks during the year. The company does not have any loans or borrowings from the Government, and has not issued any debentures.

ix) In our opinion and according to the information and explanation given to us. money raised by way of Initial Public Offer and term loans were applied for the purpose for which those were raised . The Company has not raised any money by way of further public offer.

x) According to the information and explanation given to us, no fraud on or by the company, by its officers and employees has been noticed or reported during the course of our audit.

xi) In our opinion and according to the information and explanation given to us, managerial remuneration paid is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii) In our opinion and according to the information and explanation given to us, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore. the provisions of clause 3 (xii) of the Companies Audit Report (Order) are not applicable.

xiii) In our opinion and according to the information and explanation given to us, transactions with the related parties are in compliance with sections 177 and 188 of the act where applicable and details of such transactions have been disclosed in the Standalone Ind AS Financial statements as required by the applicable Indian Accounting standards.

GOKHALE & SATHE * CHARTERED ACCOUNTANTS * MUMBAI FIRM No. 103264W

xiv) In our opinion and according to the information and explanation given to us, during the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review Therefore, the provisions of clause 3 (xiv) of the Order are not applicable.

xv) In our opinion and according to the information and explanation given to us, during the year the company has not entered into non-cash transactions with the directors or persons connected with the directors and hence the provisions of Clause 3 (xv) of the Order are not applicable.

xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

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

Vyavaharkar

C.A. Yatin Vyavaharkar
Partner
Membership No. 033915
Place: Mumbai
Date: 25th May 2017

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

ANNEXURE B

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

GOKHALE & SATHE ★ CHARTERED ACCOUNTANTS ★ MUMBAI FIRM No. 103264W or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

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

Vyavaharkar

C.A. Yatin Vyavaharkar
Partner
Membership No. 033915
Place: Mumbai
Date: 25th May 2017

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in lakhs)

Balancesheet
as at March 31, 2017

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

Significant Accounting Policies 2
Notes to Financial Statements 3 - 46

The notes referred to above form an integral part of the standalone financial statements.
As per our report of even date attached
For Gokhale & Sathe
Chartered Accountants
Firm's Registration No: 103264W

Yatin R. Vyavaharkar
Partner
Membership No: 033915

GOKHALE & SATHE CHARTERED ACCOUNTANTS MUMBAI FIRM No. 103264W

Mumbai
Date: 25 May 2017

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

Jayant D. Mhaiskar
Managing Director
DIN: 00716351

Anuya J. Mhaiskar
Director
DIN: 00707650

M. Sankaranarayanan
Chief Financial Officer

Harshad Pusalkar
Company Secretary

Mumbai
Date: 25 May 2017

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Statement of Profit and Loss

for the year ended March 31, 2017

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

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

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

GOKHALE & SATHE * MUMBAI * CHARTERED ACCOUNTANTS * FIRM No. 103264W

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
Date: 25 May 2017

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

Jayant D. Mhaiskar
Managing Director
DIN: 00716351

Anuya J. Mhaiskar
Director
DIN: 00707650

M. Sankaranarayanan
Chief Financial Officer

Harshad Pusalkar
Company Secretary

Mumbai
Date: 25 May 2017

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Cash Flow Statement

for the year ended March 31, 2017

	For the year ended March 31, 2017	For the year ended March 31, 2016
CASH FLOW FROM OPERATING ACTIVITIES:		
(Loss)/Profit before exceptional items and tax	2,676.72	4,398.37
Adjustments for:		
Depreciation and amortisation	55,899.49	56,525.62
Liabilities/provisions no longer required written back		(0.65)
Finance costs	6,008.39	5,509.71
Dividend income	(1.69)	(1.51)
Interest income	(411.19)	(421.22)
Interest income from related parties	(2,369.83)	(3,261.46)
Profit on Sale of Assets	(38.07)	(1.33)
Remeasurements of net defined benefit plans	(40.76)	(13.93)
Operating profit before working capital changes	61,723.06	62,733.60
Adjustments for changes in working capital:		
(Increase)/Decrease in trade receivables	(3,519.83)	3,915.60
(Increase)/Decrease in non-current financial assets - loans	(11.71)	1.08
(Increase)/Decrease in current financial assets - loans	2,383.14	266.60
(Increase)/Decrease in current financial assets - others	(2,804.14)	(1,450.27)
(Increase)/Decrease in other non current assets	(26,599.56)	(1,372.91)
(Increase)/Decrease in other current assets	(15,301.59)	65.80
Increase/(Decrease) in trade payables	-	(992.10)
Increase/(Decrease) in trade payables - Short term	(50,317.66)	(56,502.23)
Increase/(Decrease) in current financial liabilities - other	4,557.01	(397.05)
Increase/(Decrease) in short term provisions	(0.77)	5.07
Increase/(Decrease) in long term provisions	84.93	30.46
Increase/(Decrease) in other non-current liabilities	26,327.24	3,730.32
Increase/(Decrease) in other current liabilities	14,059.68	15.54
Cash generated from operations	10,579.80	10,049.51
Income tax paid	(2,143.88)	(1,560.53)
Net cash from operating activities	8,435.92	8,488.98
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property Plant and Equipment including capital advances	780.98	(2,370.71)
Sale of Property Plant and Equipment	146.61	6.13
Dividend received	1.69	1.51
Loans and advances to related parties - given	(9,571.27)	(15,327.91)
Loans and advances to related parties - repayment received	27,215.75	7,846.67
Investment in subsidiary	(20,622.03)	(29,198.86)
Investment in others	-	(5.01)
Interest received	5,684.94	854.00
Investment in fixed deposits	(6,138.32)	(4,686.65)
Redemption / maturity of fixed deposits	6,365.67	4,039.65
Net cash (used in) investing activities	3,864.02	(38,841.18)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of share capital		5,107.49
Payment of dividend	(391.33)	(196.60)
Proceeds from borrowings	5,492.71	13,606.93
Repayment of borrowings	(10,812.75)	(8,685.99)
Proceeds from issue of share capital (including securities premium)	-	27,292.51
Interest paid	(5,936.69)	(5,030.01)
Share issue expense		(1,268.56)
Net cash generated from/(used in) financing activities	(11,648.06)	30,825.77
Net Increase/(Decrease) in cash and cash equivalents	651.88	473.57
Cash and cash equivalents as at the beginning of the year	1,272.93	799.36
Cash and cash equivalents as at the end of the year	1,924.81	1,272.93

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Cash Flow for the year ended March 31, 2017 (continued)

Cash and cash equivalents includes:

	As at March 31, 2017	As at March 31, 2016
Cash on hand	**183.32**	346.27
Bank balances :		
In current accounts	**806.09**	853.43
Demand deposits (less than 3 months maturity)	**935.05**	73.23
Unclaimed dividend	**0.35**	-
	1,924.81	1,272.93

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

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

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915

GOKHALE & SATHE CHARTERED ACCOUNTANTS MUMBAI FIRM No. 103264W

Mumbai
Date: 25 May 2017

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

Jayant D. Mhaiskar
Managing Director
DIN: 00716351

Anuya J. Mhaiskar
Director
DIN: 00707650

M. Sankaranarayanan
Chief Financial Officer

Harshad Pusalkar
Company Secretary

Mumbai
Date: 25 May 2017

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Statement of Changes in Equity

A. Equity Share Capital

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

B. Other Equity

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

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

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

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

GOKHALE & SATHE CHARTERED ACCOUNTANTS MUMBAI FIRM No. 103264W

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Jayant D. Mhaiskar
Managing Director
DIN: 00716351

Anuya J. Mhaiskar
Director
DIN: 00707650

M. Sankaranarayanan
Chief Financial Officer

Harshad Pusalkar
Company Secretary

Mumbai
Date: 25 May 2017

Mumbai
Date: 25 May 2017

1 **Corporate information**

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

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

2 **Statement of Significant Accounting Policies**

2.1 Basis of preparation

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

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

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

Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:
- certain financial assets and liabilities that are measured at fair value;
- assets held for sale – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value

Current non-current classification

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

2.2 Functional and presentation currency

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

2.3 Critical accounting judgements and key sources of estimation uncertainty

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

Estimates and assumptions are required in particular for:

a) Property, plant and equipment :

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

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

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

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

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

2 Significant accounting policies *(Continued)*

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

e) **Discounting of long-term financial instruments :**
All financial instruments are required to be measured at fair value on initial recognition. In case of financial instruments which are required to subsequently measured at amortised cost, interest is accrued using the effective interest method.

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

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

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

2.5 **Significant accounting policies**

i) Property, Plant and Equipment

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

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

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

b) Transition to IND AS
On transition to Ind AS, Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April1, 2015 measured as per the Previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

c) Depreciation / amortization
Depreciation is provided on a pro-rata basis on the written down value method over the estimated useful life of the assets. Depreciation on addition/deletion of fixed assets during the year is provided on pro-rata basis from / to the date of addition/deletion. Fixed assets costing up to ` 5,000 individually are fully depreciated in the year of purchase.
Useful life of the asset is taken, as specified in Schedule II of the Companies Act, 2013

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

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

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

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

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

ii) Intangible assets

Toll Collection Rights

a) Recognition and Measurement
Toll collection rights are stated at cost, less accumulated amortisation and impairment losses. Cost includes:
Contractual Upfront / monthly /fortnightly payments towards acquisition

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

2 Significant accounting policies *(Continued)*

iii) Borrowing cost

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

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

iv) Investment in associates, joint venture and subsidiaries

a) Recognition & Measurement

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

b) Transition to IND AS

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

v) Financial Instruments

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

A Financial assets

Classification

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

Initial recognition and measurement

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

Debt instruments at amortised cost

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

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

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

Debt instruments at FVOCI

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

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

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

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

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

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

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

2 Significant accounting policies *(Continued)*

Equity investments

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

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

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

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

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

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

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

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

Impairment of financial assets

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

B Financial liabilities

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

Classification

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

ii) Initial recognition and measurement

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

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

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

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

Derecognition

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

Offsetting of financial instruments

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

2 Significant accounting policies *(Continued)*

vi) Leases

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

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

vii) Trade Receivables

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

viii) Cash and cash equivalents

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

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

ix) Provisions, contingent liabilities and contingent assets

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

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

x) Revenue recognition

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

Toll collection

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

Revenue from Construction Contracts with Joint Ventures

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

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

Road repair and maintenance

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

Other income

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

xi) Retirement and other employee benefits

a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders, the related service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Post Employment Employee Benefits

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

2 Significant accounting policies *(Continued)*

Defined contribution plans

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

Defined benefit plans

Gratuity liability is defined benefit obligation. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary, using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

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

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

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

xii) Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes and Reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used

Deferred tax assets and liabilities are offset only if:
a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised. The tax effect is calculated on the accumulated timing differences at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Minimum alternate tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

xiii) Earnings Per Share

a) Basic earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners. of the Company
- by the weighted average number of equity shares outstanding during the financial year

b) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2 Significant accounting policies *(Continued)*

xiv) Inventories

Construction materials, components, stores, spares and tools

They are valued at lower of cost and net realisable value. Cost is determined on first in first out basis and comprise all cost of purchase, duties, taxes (otl those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Work-in-progress and finished goods

They are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of overheads based on normal opera capacity. Cost is determined on weighted average basis. Net realisable value is the estimated contract price in the ordinary course of business, less estim costs of completion and estimated costs necessary to complete the contract.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material pric have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Incase if any payment for inventory is deferred beyond normal credit terms then cost is determined by discounting the future cash flows at an interest rat determined with reference to market rates. The difference between the total cost and the deemed cost in such cases are recognised as interest expense ov period of financing under the effective interest method.

xv) Recent Accounting Pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, Statement of Cash Flows and Ind AS 102, Share-Based Payment. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to Ind AS 7, Statement of Cash Flows and IFRS 2, Share-Based Payments, respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company had evaluated the disclosure requirements of the amendment and the effect on the Standalone Financial Statements is not expected to be material.

Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance for the measurement of the cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of the cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values' but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transactions are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirely. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Company does not have share-based payments and hence no impact on financial statements.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

as at March 31, 2017

Note 3 - Property, Plant and Equipment - As at March 31, 2017

	Gross Block (At Cost)				Accumulated Depreciation				Net Block	
	As at April 1, 2016	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2017	As at April 1, 2016	Charge for the year	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Tangible Assets * :										
Office premises	981.11	-		981.11	39.82	58.53		98.35	882.76	941.29
Vehicles	659.62	47.55	167.21	539.96	186.45	165.91	101.32	251.04	288.92	473.18
Computer system	86.12	99.73	19.92	165.93	46.78	48.58	1.25	94.11	71.82	39.34
Toll equipments	221.84	95.17	25.93	291.09	44.38	48.28	1.95	90.71	200.38	177.47
Office equipments	44.65	63.81		108.46	21.33	27.84		49.17	59.28	23.31
Furnitures and fixtures	108.28	182.32		290.60	38.00	48.10		86.10	204.50	70.28
Plant and Machinery		179.93		179.93	-	4.53		4.53	175.40	-
Sub-Total	**2,101.62**	**668.51**	**213.06**	**2,557.07**	**376.76**	**401.78**	**104.52**	**674.02**	**1,883.06**	**1,724.87**
Capital Work in Progress		71.89		71.89			-	-	71.89	
Sub-Total	-	**71.89**	-	**71.89**	-	-	-	-	**71.89**	-
Total	**2,101.62**	**740.40**	**213.06**	**2,628.96**	**376.76**	**401.78**	**104.52**	**674.02**	**1,954.95**	**1,724.87**

* Refer to Note No.17 and 21 for details of Property, Plant and Equipment that have been pledged as a security/ mortgaged with various Banks/Financial Institutions against loans taken

Property, Plant and Equipment - As at March 31, 2016

	Gross Block (At Cost)				Accumulated Depreciation				Net Block	
	As at April 1, 2015	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2016	As at April 1, 2015	Charge for the year	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2016	As at April 1, 2015
Tangible Assets * :										
Office premises	382.46	598.65		981.11	-	39.82		39.82	941.29	382.46
Vehicles	387.67	271.95	-	659.62	-	186.45	-	186.45	473.18	387.67
Computer system	62.41	26.98	3.27	86.12	-	49.42	2.64	46.78	39.34	62.41
Toll equipments	184.78	43.18	6.11	221.84	-	46.31	1.93	44.38	177.47	184.78
Office equipments	24.54	20.10		44.65	-	21.33		21.33	23.31	24.54
Furnitures and fixtures	87.43	20.85		108.28	-	38.00		38.00	70.28	87.43
Total	**1,129.29**	**981.71**	**9.38**	**2,101.62**	-	**381.33**	**4.57**	**376.76**	**1,724.87**	**1,129.29**

* Refer to Note No.17 and 21 for details of Property, Plant and Equipment that have been pledged as a security/ mortgaged with various Banks/Financial Institutions against loans taken

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

as at March 31, 2017

Property, Plant and Equipment - As at April 01, 2015

	Gross Block (At Cost)				Accumulated Depreciation				Net Block
	As at April 1, 2014	Additions/ Adjustments	Deductions/ Adjustments	As at 1st April, 2015	As at 1 April 2014	Charge for the year	Deductions/ Adjustments	As at 1st April, 2015	As at 1st April, 2015
Tangible Assets* :									
Office premises	382.46	-	-	382.46	-	-	-	-	382.46
Vehicles	387.67	-	-	387.67	-	-	-	-	387.67
Computer system	62.41	-	-	62.41	-	-	-	-	62.41
Toll equipments	184.78	-	-	184.78	-	-	-	-	184.78
Office equipments	24.54	-	-	24.54	-	-	-	-	24.54
Furnitures and fixtures	87.43	-	-	87.43	-	-	-	-	87.43
Total	1,129.29	-	-	1,129.29		-	-	-	1,129.29

* Refer to Note No.17 and 21 for details of Property, Plant and Equipment that have been pledged as a security/ mortgaged with various Banks/Financial Institutions against loans taken

The Company has availed the deemed cost exemption in relation to the Property, Plant and Equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

Table showing information regarding gross block of assets and accumulated depreciation of Property, Plant and Equipment under Indian GAAP as on April 1, 2015

	Gross Block (At Cost) As at April 1, 2015	Accumulated Depreciation As at April 1, 2015	Net Block As at April 1, 2015
Tangible Assets:			
Office premises	464.50	82.04	382.46
Vehicles	1,110.05	722.38	387.67
Computer system	281.83	219.43	62.41
Toll equipments	279.21	94.43	184.78
Office equipments	89.84	65.29	24.54
Furnitures and fixtures	193.34	105.90	87.43
Total	2,418.76	1,289.47	1,129.29

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

as at March 31, 2017

Note 4

Intangible assets - As at March 31, 2017

	Gross Block (At Cost)				Accumulated Amortization				Net Block
	As at April 1, 2016	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2017	As at April 1, 2016	Charge for the year	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2017
Intangible Assets:									
Toll Collection Rights	105,704.69	42,087.78	6,331.92	141,460.55	73,074.57	55,497.71	931.65	127,640.63	13,819.92
Total	**105,704.69**	**42,087.78**	**6,331.92**	**141,460.55**	**73,074.57**	**55,497.71**	**931.65**	**127,640.63**	**13,819.92**

Intangible assets - As at March 31, 2016

	Gross Block (At Cost)				Accumulated Amortisation				Net Block
	As at April 1, 2015	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2016	As at April 1, 2015	Charge for the year	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2016
Intangible Assets:									
Toll Collection Rights	53,506.92	57,233.59	5,035.82	105,704.69	21,744.63	56,144.29	4,814.35	73,074.57	32,630.12
Total	**53,506.92**	**57,233.59**	**5,035.82**	**105,704.69**	**21,744.63**	**56,144.29**	**4,814.35**	**73,074.57**	**32,630.12**

Intangible assets - As at 1st April, 2015

	Gross Block (At Cost)				Accumulated Amortisation				Net Block
	As at April 1, 2014	Additions/ Adjustments	Deductions/ Adjustments	As at April 1, 2015	As at April 1, 2014	Charge for the year	Deductions/ Adjustments	As at April 1, 2015	As at April 1, 2015
Intangible Assets:									
Toll Collection Rights		53,506.92		53,506.92		21,744.63	-	21,744.63	31,762.29
Total	-	**53,506.92**	-	**53,506.92**	-	**21,744.63**	-	**21,744.63**	**31,762.29**

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in lakhs)
Notes to Financial Statements
as at March 31, 2017

Note 5
Non Current Investments

Particulars	**As at March 31, 2017**	**As at March 31, 2016**	**As at April 1, 2015**
(A) Trade Investments			
(Unquoted, fully paid up)			
In Subsidiary Companies (Refer notes below)			
Equity shares	50,580.85	50,179.83	18,949.82
Preference shares	2,000.00	2,000.00	2,000.00
In Joint Ventures	14,418.41	5.33	0.33
(B) Other Investments			
(Unquoted, fully paid up)			
In equity Instruments at FVTPL			
In Enterprises over which significant influence is exercised by Key Managerial Person			
3,300 equity shares of A J Tolls Private Limited of Rs 100 each.	-	3.30	3.30
In Others			
4000 shares of Jankalyan Sahakari Bank Limited of Rs. 10 each.	0.40	0.40	0.40
20,000 shares of The Kalyan Janata Sahakari Bank Limited of Rs. 25	5.00	5.00	5.00
9,980 shares of Thane Janata Sahakari Bank Limited of Rs. 50 each.	4.99	4.99	4.99
5010 shares of Ambernath Jai - Hind Co-Op Bank Limited of Rs.	5.01	5.01	-
Total	**67,014.66**	**52,203.86**	**20,963.84**

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)
Notes to Financial Statements
as at March 31, 2017

Note 5 : Non Current Investment (continued)

Note 5.1 (a)
In Equity Shares of Subsidiary Companies as at March 31, 2017

Name of the entity	Number of Shares	Face Value	Total (Rs. in lakhs)	Proportion of ownership interest held	Principal activities
Subsidiaries					
MEP Infrastructure Private Limited	374,278,998	10	37,934.05	99.99%	Collection of toll, road repair and maintenance of structures, flyovers, etc
Raima Ventures Private Limited	11,498,850	10	1,149.89	100.00%	Collection of toll
Rideema Toll Private Limited	2,488,500	100	2,599.02	100.00%	Collection of toll
MEP Chennai Bypass Toll Road Private Limited	5,159,980	10	516.00	100.00%	Operation, Maintenance and Collection of toll
MEP Hyderabad Bangalore Toll Road Private Limited	15,074,890	10	1,507.49	99.99%	Operation, Maintenance and Collection of toll
Raima Toll Road Private Limited	18,464,980	10	1,846.50	100.00%	Operation, Maintenance and Collection of toll
MEP Nagzari Toll Road Private Limited	639,800	10	63.98	100.00%	Collection of toll
MEP IRDP Solapur Toll Road Private Limited	819,800	10	81.98	100.00%	Collection of toll
Rideema Toll Bridge Private Limited	12,679,800	10	1,267.98	100.00%	Collection of toll
MEP Highway Solutions Private Limited	9,184,800	10	967.33	100.00%	Construction and maintenance activities
MEP RGSL Toll Bridge Private Limited	3,999,800	10	399.98	100.00%	Operation, Maintenance and Collection of toll
Raima Toll and Infrastructure Private Limited	6,999,990	10	700.00	100.00%	Collection of toll
MEP Tormato Private Limited	12,999,999	10	1,540.65	100.00%	Installation of toll equipments , Cameras, Weigh bridges,
MEP Roads & Bridges Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Infra Constructions Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Infraprojects Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Toll & Infrastructure Private Limited	9,999	10	1.00	100.00%	Collection of toll
Mhaiskar Toll Road Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Foundation	9,990	10	1.00	99.90%	Corporate Social Responsibilities
			50,580.84		

Note 5.1 (b)
In Preference Shares of Subsidiary Companies as at March 31, 2017

Name of the entity	Number of Shares	Face Value (Rs.)	Total (Rs. in lakhs)	Proportion of ownership interest held	Principal activities
12% Non-Cumulative redeemable preference shares of MEP Hyderabad Bangalore Toll Road Private Limited	20,000,000	10	2,000.00	-	Operation, Maintenance and Collection of toll
TOTAL			**2,000.00**		

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

as at March 31, 2017

Note 5 : Non Current Investment (continued)

Note 5.1 (c)

In Equity shares of Jointly Controlled Entities as at March 31, 2017

Name of the entity	Number of Shares	Face Value (Rs.)	Total (Rs. in lakhs)	Proportion of ownership interest held	Principal activities
KVM Technology Solutions Private Limited	3,300	10	0.33	33.00%	Installation of toll equipments , Cameras, Weigh bridges,
SMYR Consortium LLP	NA	NA	5.00	25.00%	Collection of toll
MEP Nagpur Ring Road 1 Private Limited	29,607,400	10	2,960.74	74.00%	Construction and maintenance of roads
MEP Sanjose Nagpur Ring Road 2 Private Limited	35,726,600	10	3,572.66	74.00%	Construction and maintenance of roads
MEP Sanjose Arawali Kante Road Private Limited	32,917,400	10	3,291.74	74.00%	Construction and maintenance of roads
MEP Sanjose Kante Waked Road Private Limited	45,867,400	10	4,586.74	74.00%	Construction and maintenance of roads
MEP Sanjose Talaja Mahuva Road Private Limited	6,000	10	0.60	60.00%	Construction and maintenance of roads
MEP Sanjose Mahuva Kagavadar Road Private Limited	6,000	10	0.60	60.00%	Construction and maintenance of roads
TOTAL			**14,418.41**		

Note 5.2 (a)

In Equity Shares of Subsidiary Companies as at March 31, 2016

Name of the entity	Number of Shares	Face Value	Total (Rs. in lakhs)	Proportion of ownership interest held	Principal activities
Subsidiaries					
MEP Infrastructure Private Limited	374,278,998	10	37,934.05	99.99%	Collection of toll, road repair and maintenance of structures, flyovers, etc
Raima Ventures Private Limited	11,498,850	10	1,149.89	100.00%	Collection of toll
Rideema Toll Private Limited	2,488,500	100	2,488.50	100.00%	Collection of toll
MEP Chennai Bypass Toll Road Private Limited	5,159,980	10	516.00	100.00%	Operation, Maintenance and Collection of toll
MEP Hyderabad Bangalore Toll Road Private Limited	15,074,890	10	1,507.49	99.99%	Operation, Maintenance and Collection of toll
Raima Toll Road Private Limited	18,464,980	10	1,846.50	100.00%	Operation, Maintenance and Collection of toll
MEP Nagzari Toll Road Private Limited	639,800	10	63.98	100.00%	Collection of toll
MEP IRDP Solapur Toll Road Private Limited	819,800	10	81.98	100.00%	Collection of toll
Rideema Toll Bridge Private Limited	12,679,800	10	1,267.98	100.00%	Collection of toll
MEP Highway Solutions Private Limited	9,184,800	10	918.48	100.00%	Construction and maintenance activities
MEP RGSL Toll Bridge Private Limited	3,999,800	10	399.98	100.00%	Operation, Maintenance and Collection of toll
Raima Toll and Infrastructure Private Limited	6,999,990	10	700.00	100.00%	Collection of toll
MEP Tormato Private Limited	12,999,999	10	1,300.00	100.00%	Installation of toll equipments , Cameras, Weigh bridges,
MEP Roads & Bridges Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Infra Constructions Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Infraprojects Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Toll & Infrastructure Private Limited	9,999	10	1.00	100.00%	Collection of toll
Mhaiskar Toll Road Private Limited	9,999	10	1.00	100.00%	Collection of toll
TOTAL			**50,179.83**		

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)
Notes to Financial Statements
as at March 31, 2017

Note 5 : Non Current Investment (continued)

Note 5.2 (b)
In Preference Shares of Subsidiary Companies as at March 31, 2016

Name of the entity	Number of Shares	Face Value (Rs.)	Total (Rs. in lakhs)	Proportion of ownership interest held	Principal activities
12% Non-Cumulative redeemable preference shares of MEP Hyderabad Bangalore Toll Road Private Limited	20,000,000	10	2,000.00	-	Operation, Maintenance and Collection of toll
TOTAL			2,000.00		

Note 5.2 (c)
In Equity shares of Jointly Controlled Entities as at March 31, 2016

Name of the entity	Number of Shares	Face Value (Rs.)	Total (Rs. in lakhs)	Proportion of ownership interest held	Principal activities
KVM Technology Solutions Private Limited	3,300	10	0.33	33.00%	etc
SMYR Consortium LLP	NA	NA	5.00	25.00%	Collection of toll
TOTAL			5.33		

Note 5.3(a)
In Equity Shares of Subsidiary Companies as at April 1, 2015

Name of the entity	Number of Shares	Face Value	Total (Rs. in lakhs)	Proportion of ownership interest held	Principal activities
Subsidiaries					
MEP Infrastructure Private Limited	111,998,998	10	11,706.05	99.99%	Collection of toll, road repair and maintenance of structures, flyovers, etc
Raima Ventures Private Limited	11,498,850	10	1,149.89	100.00%	Collection of toll
Rideema Toll Private Limited	2,488,500	100	2,488.50	100.00%	Collection of toll
MEP Chennai Bypass Toll Road Private Limited	3,999,980	10	400.00	100.00%	Operation, Maintenance and Collection of toll
MEP Hyderabad Bangalore Toll Road Private Limited	9,890	10	0.99	99.99%	Operation, Maintenance and Collection of toll
Raima Toll Road Private Limited	9,299,980	10	930.00	100.00%	Operation, Maintenance and Collection of toll
MEP Nagzari Toll Road Private Limited	639,800	10	63.98	100.00%	Collection of toll
MEP IRDP Solapur Toll Road Private Limited	819,800	10	81.98	100.00%	Collection of toll
Rideema Toll Bridge Private Limited	2,679,800	10	267.98	100.00%	Collection of toll
MEP Highway Solutions Private Limited	7,544,800	10	754.48	100.00%	Construction and maintenance activities
MEP RGSL Toll Bridge Private Limited	3,999,800	10	399.98	100.00%	Operation, Maintenance and Collection of toll
Raima Toll and Infrastructure Private Limited	6,999,990	10	700.00	100.00%	Collection of toll
MEP Tormato Private Limited	9,999	10	1.00	100.00%	Installation of toll equipments , Cameras, Weigh bridges,
MEP Roads & Bridges Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Infra Constructions Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Infraprojects Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Toll & Infrastructure Private Limited	9,999	10	1.00	100.00%	Collection of toll
Mhaiskar Toll Road Private Limited	9,999	10	1.00	100.00%	Collection of toll
TOTAL			18,949.82		

Note 5 : Non Current Investment (continued)

Note 5.3(b)
In Preference Shares of Subsidiary Companies as at April 1, 2015

Name of the entity	Number of Shares	Face Value (Rs.)	Total (Rs. in lakhs)	Proportion of ownership interest held	Principal activities
12% Non-Cumulative redeemable preference shares of MEP Hyderabad Bangalore Toll Road Private Limited	20,000,000	10	2,000.00		Operation, Maintenance and Collection of toll
TOTAL			2,000.00		

Note 5.3(c)
In Equity shares of Jointly Controlled Entities as at April 1, 2015

Name of the entity	Number of Shares	Face Value (Rs.)	Total (Rs. in lakhs)	Proportion of ownership interest held	Principal activities
KVM Technology Solutions Private Limited	3,300	10	0.33	33.00%	Installation of toll equipments , Cameras, Weigh bridges,
TOTAL			0.33		

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)
Notes to Financial Statements
as at March 31, 2017

Note 6
Non Current Financial Assets-Loans
(Unsecured, considered good unless otherwise stated)

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
To related parties:			
Loans and advances	**2,068.99**	20,276.29	13,522.08
Advance consideration for acquisition of equity shares	**6,326.25**	114.98	2,151.14
To parties other than related parties:			
Security deposits	**64.76**	40.18	38.10
Loans to employees	**11.84**	16.69	17.27
Total	**8,471.84**	20,448.14	15,728.59
Less: Provisions for amounts considered doubtful			
Loans to related parties	-	-	-
Total	**8,471.84**	20,448.14	15,728.59

Refer to Note 12 for Current Portion of Loans to employees, and Security Deposits

	(a) Loans and advances to related parties	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
I.	**Subsidiary companies**			
	- Baramati Tollways Private Limited	**900.17**	1,122.26	233.26
	- MEP Tormato Private Limited	**1,168.82**	2,842.89	-
	- MEP Highway Solutions Private Limited	-	9,379.61	7,203.82
	- MEP IRDP Solapur Toll Road Private Limited	-	3.05	110.00
	- MEP RGSL Toll Bridge Private Limited	-	-	83.29
	- Rideema Toll Private Limited	-	6,912.48	5,387.68
	- MEP Infraprojects Private Limited	-	1.00	
	- MEP Infra Construction Private Limited	-	1.00	
	- MEP Toll & Infrastructure Private Limited	-	1.00	
	- Mhaiskar Toll Road Private Limited	-	1.00	
	- Raima Ventures Private Limited	-	12.00	
	- MEP Chennai Bypass Toll Road Private Limited	-	-	501.50
II.	**Fellow subsidiary companies**			
	- MEP Hamirpur Bus Terminal Private Limited	-	-	0.61
	- MEP Una Bus Terminal Private Limited	-	-	1.92
	Total	**2,068.99**	20,276.29	13,522.08

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

as at March 31, 2017

Note 6

Non Current Financial Assets-Loans (continued)

(b) Advance against acquisition of the equity shares	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
I. Subsidiary companies			
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	250.00
Rideema Toll Bridge Private Limited	-	-	1,000.00
MEP Highway Solutions Private Limited	-	-	164.00
Raima Toll Road Private Limited	-	-	500.00
Baramati Tollways Private Limited	-	-	6.00
Chennai Bypass Toll Road Private Limited	-	-	116.00
	-	-	2,036.00
II. Joint Venture companies			
MEP Sanjose Arawali Kante Road Private Limited	**110.10**	-	-
MEP Sanjose Kante Waked Road Private Limited	**129.20**	-	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	**1,976.94**	-	-
MEP Nagpur Ring Road 1 Private Limited	**2,011.79**	-	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	**620.62**	-	-
MEP Sanjose Talaja Mahuva Road Private Limited	**1,477.60**	-	-
	6,326.25	-	-
III. Enterprises over which significant influence exercised by key management personnel			
MEP Toll Gates Private Limited	-	-	0.16
	-	-	0.16
IV. Advance to Rideema Toll Private Limited (Subsidiary Company) for acquisition of its equity holding in Baramati Toll Private Limited (Subsidiary	-	114.98	114.98
	-	114.98	114.98
Total	**6,326.25**	114.98	2,151.14

Note 7

Non Current Financial Assets-Others

(Unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Fixed deposits with banks with maturity period more than twelve months from reporting date (Refer Note 11)	**457.64**	1,287.72	1,207.76
Interest accrued on fixed deposits	**46.83**	125.24	29.30
Total	**504.47**	1,412.96	1,237.06

(Currency: Indian Rupees in lakhs)

Note 8
Taxation

i. Amounts recognised in profit or loss

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Current Tax		
Current year	**815.70**	1,229.31
Total current tax	**815.70**	1,229.31
Deferred tax		
Deferred tax on origination and reversal of temporary differences	**93.18**	138.57
Total deferred tax	**93.18**	138.57
Total Income tax (income) / expense	**908.88**	1,367.88

ii. Income Tax in Other Comprehensive income

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Remeasurement of defined benefit obligations	**40.76**	13.93
Tax expenses	**(14.11)**	(4.82)
Net of tax	**26.65**	9.11

ii. Reconciliation of effective tax

The table below explains the differences between the expected tax expense, at the Indian statutory tax rate of 34.61% (2016: 34.61%) payable by corporate entities in India on taxable profits under tax laws in India, and the Company's total tax expense for the year.

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit / (loss) before tax as per Statement of Profit and loss	**2,676.72**	4,398.37
Tax using the domestic tax rate of company (34.608%)	**926.36**	1,522.19
Tax effects of:		
Expenses not deductible for tax purposes	**30.83**	17.58
Income not chargeable to tax	**(0.58)**	(0.52)
Others	**(7.54)**	(1.34)
Change in tax rate		(4.34)
Tax relating to prior years	**(16.30)**	(165.69)
Loans and advances to subsidiaries	**(23.88)**	
Income tax expense	**908.89**	1,367.88
Effective Tax Rate	**33.96%**	31.10%

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

as at March 31, 2017

Note 8

Deferred Tax Disclosure

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended April 1, 2015
Deferred tax assets			
Excess of depreciation on fixed assets provided in accounts over depreciation / amortisation under income tax law	178.22	291.79	432.11
Provision for employee benefits	129.62	97.74	79.58
Fair value of security deposit	0.87	0.86	0.82
Total deferred tax assets	**308.71**	**390.39**	**512.51**
Deferred tax liabilities			
Excess of depreciation / amortisation on fixed / intangible assets in income-tax law over depreciation / amortisation provided in accounts.	4.17	-	-
Borrowing EIR	30.45	43.08	31.44
Straightling of upfront lease charges paid	5.85		
Total deferred tax liabilities	**40.47**	**43.08**	**31.44**
Deferred tax asset (net)	**268.24**	**347.31**	**481.07**

(Currency: Indian Rupees in lakhs)

Note 8
Deferred Tax Disclosure (continued)

Particulars	Net balance April 1, 2015	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2016	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2017
Property, plant and equipment and Intangible asset	432.11	(140.32)		291.79	(117.73)		174.05
Straightling of upfront lease charges paid	-			-	(5.85)		(5.85)
Security deposit	0.82	0.05		0.87			0.87
Borrowings	(31.44)	(11.64)		(43.08)	12.63		(30.45)
Provision for employee benefits	79.58	13.33	4.82	97.74	17.77	14.11	129.62
Tax assets (Liabilities)	**481.07**	**(138.57)**	**4.82**	**347.31**	**(93.18)**	**14.11**	**268.24**

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Tax losses carried forward

Deferred tax assets have not been recognised in respect of the following item, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Capital loss	Gross amount	Expiry date
March 31, 2017	-	-
March 31, 2016	39.47	31-Mar-17
April 1, 2015	39.47	31-Mar-17

Note 9
Other non current assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
To related parties:			
Capital advances	**2,297.77**	2,463.77	2,694.30
To parties other than related parties:			
Capital advances	**264.14**	1,619.53	-
Mobilisation advance	**43,321.90**	16,776.52	15,366.03
Prepaid expenses	**264.15**	196.85	234.43
Total	**46,147.96**	21,056.67	18,294.76

Refer to Note 14 for Current Portion of Mobilisation advance and Prepaid Expenses.

(a) Capital advances to related parties	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Ideal Toll & Infrastructure Private Limited	**2,297.77**	2,463.77	2,694.30
Total	**2,297.77**	2,463.77	2,694.30

Note 10
Current Financial Assets-Trade receivables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured considered good*	**3,533.57**	13.74	3,929.34
Total	**3,533.57**	13.74	3,929.34

*Trade receivables includes Rs. 3,493.12 lakhs (Previous year: Rs. Nil; April 1 2015: Rs. 3,917.74 lakhs) are due from related parties as below:

(a) Trade receivables from related parties	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
I. Joint Ventures			
- MEP Nagpur Ring Road 1 Private Limited	**1,144.86**	-	-
- MEP Sanjose Nagpur Ring Road 2 Private Limited	**883.34**	-	-
- MEP Sanjose Arawali Kante Road Private Limited	**329.30**	-	-
- MEP Sanjose Kante Wakad Road Private Limited	**340.25**	-	-
- MEP Sanjose Talaja-Mahuva Road Private Limited	**411.74**	-	-
- MEP Sanjose Mahuva-Kagavadar Road Private Limited	**341.35**	-	-
	3,450.84	-	-
II. Enterprises over which significant influence is exercised by key managerial personnel			
- D S Enterprises	**42.28**	-	2,551.53
	42.28	-	2,551.53
III. Subsidiaries			
- MEP Roads & Bridges Private Limited	-	-	215.43
- Raima Ventures Private Limited	-	-	888.82
- Raima Toll & Infrastructure Private Limited	-	-	261.96
	-	-	1,366.21
Total	**3,493.12**	-	3,917.74

(b) Notes:

i) The carrying amounts of trade receivables as at the reporting date approximate fair value. Trade receivables are predominantly non-interest bearing. Trade receivables are shown net of an allowance for bad or doubtful debts.

ii) Refer Note 32 for information about credit risk of trade receivables.

Note 11
(i) Current Financial Assets-Cash and cash equivalents

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash on hand	**183.32**	346.27	208.79
Bank balances			
In current accounts	**806.09**	853.43	554.70
Unclaimed dividend	**0.35**	-	-
In fixed deposits	**935.05**	73.23	35.87
Cash and cash equivalents as presented in the Balance sheet	**1,924.81**	1,272.93	799.36

Note: Bank balances and term deposits with banks comprise cash held by the Company on a short-term basis with original maturity of three months or less. The carrying amount of cash equivalents as at reporting date at fair value.

(ii) Current Financial Assets-Other bank balances

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Bank deposits with maturity from 3-12 months	**4,204.72**	3,601.99	3,034.94
Total	**4,204.72**	3,601.99	3,034.94

Details of bank deposits

Bank deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	**935.05**	73.23	35.87
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	**4,204.72**	3,601.99	3,034.94
Bank deposits due to mature after 12 months of the reporting date included under 'Other non financial current assets' (Refer Note 7)	**457.64**	1287.72	1207.76
	5,597.41	4,962.94	4,278.57

Note: Total bank deposits of Rs. 5,597.41 lakhs (previous year : Rs 4,962.94 lakhs ; April 1, 2015 : 4,278.57 lakhs) comprise of Deposits having maturities of Less than 3 months, maturities of 3-12 months and maturities of more than 12 months(Disclosed under Non-Current Financial Assets). Out of the total deposits, fixed deposits with Banks of Rs.1,894.01 lakhs (previous year : Rs 1,379.42 lakhs ; April 1, 2015 : Rs. 1,203.61 lakhs) are provided as a lien for maintenance of Debt Service Reserve Account. Bank deposits of Rs. 1271.82 lakhs (previous year : Rs 875.00 lakhs ; April 1, 2015 : Rs. 875.00 lakhs) are provided as cash margin for bank facilities. Bank deposits of Rs. 2,431.58 lakhs (previous year : Rs 2,708.52 lakhs ; April 1, 2015 : Rs.2,199.96 lakhs) with various banks are provided as a lien for bank guarantees given to authorities.

Note 12
Current Financial Assets-Loans
(Unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
To related parties			
Loans (refer note below)	**8,274.64**	8,042.84	7,315.79
To parties other than related parties			
Security deposits	**16.71**	166.53	1.93
Loan to employees	**4.70**	7.52	9.69
Performance Security	**2,320.51**	4,551.00	4,980.02
Total	**10,616.56**	12,767.89	12,307.43

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

as at March 31, 2017

Note 12

Current Financial Assets-Loans (continued)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	**Loans and advances to related parties**			
I.	**Subsidiary companies**			
	- Baramati Tollways Private Limited	**254.49**	-	
	- MEP Highway Solutions Private Limited	**25.00**	-	
	- Rideema Toll Bridge Private Limited	**261.32**	73.91	970.60
	- Raima Toll Road Private Limited	**13.17**	4,633.52	2,838.52
	- MEP Nagzari Toll Road Private Limited	**686.07**	686.82	393.89
	- Rideema Toll Private Limited	**6,810.39**	-	
	- MEP Infraprojects Private Limited	**79.35**	-	
	- MEP Infra Construction Private Limited	**0.19**	-	
	- MEP Toll & Infrastructure Private Limited	**0.19**	-	
	- MEP Tormato Private Limited	**99.66**	-	
	- Mhaiskar Toll Road Private Limited	**0.10**	-	
	- Raima Ventures Private Limited	**0.30**	-	
	- Raima Toll & Infrastructure Private Limited	**44.41**	-	
	- MEP Hyderabad Bangalore Toll Road Private Limited	-	2,648.59	3,112.78
	Total	**8,274.64**	8,042.84	7,315.79

Note 13

Current Financial Assets-Others

(Unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Interest receivable			
- accrued on fixed deposits/recurring deposits	**244.32**	58.75	112.48
- accrued on loans to related parties	**1,814.06**	4,897.24	2,113.31
To related parties:			
- Other receivable	**2,926.53**	3,125.31	1,682.01
- Unbilled Revenue	**2,933.89**	-	-
To parties other than related parties:			
Bid Security	**198.75**	134.00	134.00
Advances recoverable in cash	**42.28**	42.03	35.09
Other receivable	**36.05**	31.98	31.99
Total	**8,195.88**	8,289.31	4,108.88

Note 14

Other current assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advance to suppliers	**2,205.26**	1.36	27.83
Prepaid expenses	**136.94**	191.43	133.45
Mobilisation advance	**12,065.52**	730.67	971.61
Share issue expenses	-	-	600.97
Advances for authority payment	**2,078.99**	366.08	222.44
InvIT Issue Expenses	**104.42**	-	-
Total	**16,591.13**	1,289.54	1,956.30

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

as at March 31, 2017

Note 15

Equity Share Capital

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
[a] Authorised share capital			
200,000,000 (March 31, 2016: 200,000,000 : : April 1, 2015 : 200,000,000) equity shares of the par value of Rs 10 each	**20,000.00**	20,000.00	20,000.00
	20,000.00	20,000.00	20,000.00
[b] Issued			
162,569,191 (March 31, 2016 : 162,569,191 : April 1, 2015 : 111,494,250) equity shares of Rs.10 each	**16,256.92**	16,256.92	11,149.43
	16,256.92	16,256.92	11,149.43
[c] Subscribed and paid up			
162,569,191 (March 31, 2016 : 162,569,191 : April 1, 2015 : 111,494,250) equity shares of Rs.10 each	**16,256.92**	16,256.92	11,149.43
	16,256.92	16,256.92	11,149.43

[d] Reconciliation of number of shares outstanding at the beginning and end of the year :

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares	**Amount**	No. of Shares	Amount	No. of Shares	Amount
Equity :						
Shares outstanding, beginning of the year	**162,569,191**	**16,256.92**	111,494,250	11,149.43	100,000,000	10,000.00
Issued during the year	-	-	51,074,941	5,107.49	11,494,250	1,149.43
Shares outstanding, end of the year	**162,569,191**	**16,256.92**	162,569,191	16,256.92	111,494,250	11,149.43

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

as at March 31, 2017

Note 15

Equity Share Capital (continued)

[e] Shares held by its holding company

Equity shares of Rs 10 each fully paid held by:	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Ideal Toll & Infrastructure Private Limited (Holding Company)*	-	-	-	-	59,940,407	5,994.04

*Pursuant to an Initial Public Offering in May 2015, the shareholding of Ideal Toll & Infrastructure Private Limited (ITIPL) has reduced from 53.76% to 36.87% and to 18.42% therefore ITIPL is no longer the holding company as at 31 March 2016 and 2017.

[f] Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
Equity shares of Rs 10 each fully paid held by:						
Ideal Toll & Infrastructure Private Limited	**29,940,407**	**18.42%**	59,940,407	36.87%	59,940,407	53.76%
Dattatray Mhaiskar jointly with Sudha Dattatray Mhaiskar (Directors)	**10,220,189**	**6.29%**	26,447,180	16.27%	25,218,780	22.62%
Jayant Dattatray Mhaiskar jointly with Anuya Jayant Mhaiskar (Directors)	**11,227,920**	**6.91%**	11,227,920	6.91%	11,227,920	10.07%
Jayant Dattatray Mhaiskar (Managing Director)	**5,033,578**	**3.10%**	13,755,578	8.46%	11,003,300	9.87%
Anuya Jayant Mhaiskar	**9,869,300**	**6.07%**	-	-	-	-
Sudha Dattatray Mhaiskar	**14,998,591**	**9.23%**	-	-	-	-
A J Tolls Private Limited	**30,000,000**	**18.45%**	-	-	-	-
	111,289,985	**68.46%**	111,371,085	68.51%	107,390,407	96.32%

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

as at March 31, 2017

Note 16

(i) Securities Premium

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
At the commencement of the year	**26,773.55**	1,350.57	-
Add: Received during the year		27,292.51	1,350.57
Less: Share issue expenses written off		(1,869.53)	
Balance as at the end of the year	**26,773.55**	26,773.55	1,350.57

(ii) Retained earnings

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
At the commencement of the year	**15,721.01**	12,896.22	12,896.22
Add : Profit for the year	**1,767.83**	3,030.49	-
Less: a) Interim Dividend	**(162.57)**	(162.57)	-
b) Dividend for the year ended March 31, 2016	**(162.57)**	-	-
c) Dividend Distribution Tax	**(66.19)**	(34.03)	-
Other comprehensive income	**(26.65)**	(9.11)	-
Balance as at the end of the year	**17,070.85**	15,721.01	12,896.22
Other equity [(i) + (ii)]	**43,844.40**	42,494.55	14,246.79

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in lakhs)
Notes to Financial Statements
as at March 31, 2017

Note 17
Non-Current Financial Liability-Borrowings

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Secured Loans			
Term loans			
- from banks	**15,668.02**	16,904.70	16,256.45
- from financial institution	**4,009.63**	4,972.17	-
	19,677.65	21,876.87	16,256.45
Vehicle loans			
- from banks	**50.94**	235.58	246.42
- from financial institution	**31.59**	33.54	17.14
	82.53	269.12	263.56
Equipment loans			
- from banks	**173.33**	-	-
- from financial institution	**18.27**	-	-
	191.60	-	-
Total	**19,951.78**	22,145.99	16,520.01

I) Term loans

A) Term loan includes loan from a bank amounting to Rs 14,999.80 lakhs (March 31, 2016 : Rs 15,869.97 lakhs and 1st April, 2015: Rs 16975.00 lakhs) which is secured by a first and exclusive charge as under:

a) first exclusive charge on escrow account specifically maintained for maintenance income/receivables from the maintenance contract with MEP Infrastructure Private Limited, a subsidiary;
b) first mortgage and charge on all immovable and movable properties of the Company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties); except as specifically charged;

c) exclusive charge on specific account opened to route the proceeds from the loan and interest thereon extended to the Ideal Toll & Infrastructure Private Limited by MEP Infrastructure Private Limited, subsidiary company;
d) pledge of 5 lakhs shares of IRB Infrastructure Developers Limited, held by the promoters of the company;
e) pledge of 1.14 crore shares of the Company held by Promoters of the Company (in demat form);
f) first charge over the all bank accounts including but not limited to escrow account opened by MEP Highway Solutions Private Limited, subsidiary company;
g) corporate guarantees given by Ideal Toll & Infrastructure Private Limited and personal guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company
h) Equitable mortgage of 9.56 Ha land, situated at Dhakale Gaon, Baramati District, owned by relative of Promoters of the Company;

The term loan carries an interest rate calculated on base rate of the bank plus a spread of 275 basis points. The term loan is repayable in 127 unequal monthly installments commencing from 1 September 2014.

B) Term loan includes loan from a bank amounting to Rs Nil (March 31, 2016 : Rs Nil and 1st April, 2015: Rs 3,749.34 lakhs) which is secured by way of first charge of hypothecation / assignment / security interest on escrow account of the projects financed and also, by pledge of 500,000 equity shares and negative lien on 250,000 equity shares of IRB Infrastructure Developers Limited held by the promoters of the Company.

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited and personal guarantee given by Mr. Jayant D. Mhaiskar & Mr. D.P. Mhaiskar, Directors of the Company. The term loan carries an interest rate calculated on base rate of the bank plus a spread of 300 basis points. The term loan is repayable in two equal installments of Rs 3,750.00 lakhs commencing from 1 March 2014.

C) Term loan includes a loan from a bank amounting to Rs Nil (March 31, 2016 : Rs 240.00 lakhs and 1st April, 2015: Rs 610.00 lakhs) which is secured by way of assignment / hypothecation of receivables to be generated from the Toll collection account of the projects

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited and personal guarantee given by Mr. Jayant D. Mhaiskar , Director of the Company. The term loan carries an interest rate of 13% p.a. The term loan is repayable in 35 unequal monthly installments commencing after one month from the date of first disbursement.

D) Term loan includes a loan from a bank amounting to Rs Nil (March 31, 2016 : Rs 275.42 lakhs and 1st April, 2015: Rs Nil) which is

a) hypothecation / assignment of receivables to be generated from the Toll collection account & refund of performance security from authority of the projects financed;
b) equitable mortgage(second charge) on the residential property situated at Mumbai owned by promoters of the Company;
c) personal guarantee of Mr. Jayant D. Mhaiskar, director of the Company

The term loan carries an interest rate calculated on rate of 13.00% p.a.(floating at monthly rest) The loan is repayable in 10 monthly installments from the date of disbursement & last installment in lumsum on or before 31st January 2017.

Note 17
Non-Current Financial Liability-Borrowings (continued)

E) Term loan includes a loan from a bank amounting to Rs 1296.22 lakhs (March 31, 2016 : Rs 1483.71 lakhs and 1st April, 2015: Rs Nil) which is secured as under :

a) exclusive charge by way of equitable/registered mortgage on the commercial properties situated at Boomerang building, Chandivali farm road, Andheri East;
b) pledge of 200% shares of amount equivalent to remaining portion of term loan after considering the amount against the property as per security cover in the form of demat shares of the Company;
c) Personal guarantee of Mr. Jayant D. Mhaiskar, director of the company.
d) DSRA equivalent to 3 months EMI in form of undisbursed overdraft as sublimit of term loan.
The term loan carries an interest rate calculated on base rate plus 0.65% (annual reset). The loan is repayable in 72 monthly installments from the date of disbursement.

F) Term loan includes a loan from a financial institution amounting to Rs 5000.00 lakhs (March 31, 2016 : Rs 5000.00 lakhs and 1st April, 2015: Rs Nil) which is secured as under :

a) First pari -passu charge on approximately 21 acres of leasehold land of 99 years located at Baramati, District Pune, Maharashtra giving a security cover of 1.25 times over the loan facility.
b) DSRA equivalent to 3 months interest servicing in form of FD with scheduled commercial bank lien marked.
c) Subservient charge on all revenues & receivable of the Company
d) Non-Disposal Undertaking (NDU) mechanism along with Power of Attorney (POA) of specified numbers of shares of the Company held by the Promoters of the Company so as to give cover of 1.25 times on the loan amount;
e) Personal guarantee of Promoter Mr. Jayant D. Mhaiskar.
f) Corporate guarantee of Baramati Tollways private Limited (Land mortgagor)
The term loan carries an interest rate calculated on base rate plus spread of 1.80%. The loan is repayable in 36 equal monthly installments beginning from 25th month from the date of disbursement.

G) Term loan from bank amounting to Rs 447.73 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) which is secured as under :

a) by Security against receivables generated from Toll collection at Paduna toll plaza (Udaipur-Kherwada section) on NH No 8,
b) performance security deposit receivable from authority and other movable assets like toll equipment etc. used for Toll collection.
c) Personal guarantee of Mr. Jayant Mhaiskar, director of the company
The term loan carries an interest rate of 12.50 % p.a. (floating). The loan is repayable in 15 monthly installments commencing from July

H) Term loan from bank amounting to Rs.364.23 lakhs (March 31, 2016 : Nil and 1st April, 2015: Rs Nil) which is secured as under :

a) by Receivables generated from Toll collection at Ghanghari toll plaza on NH 02 in the state of Jharkhand.
b) Performance security deposit receivable from authority and other movable assets like toll equipment etc. used for toll collection at Ghanghari toll plaza ,
c) Personal guarantee of Mr. Jayant D. Mhaiskar, director of the Company
The term loan carries an interest rate of 11.80 % p.a. (floating). The loan is repayable in 15 monthly installments commencing from October 2016.

II) Vehicle Loans

a) Vehicle loans from banks of Rs 146.62 lakhs (March 31, 2016 : Rs 374.88 lakhs and 1st April, 2015: Rs 314.74 lakhs) carry interest rates ranging from 9.76% - 12.38% p.a. The loans are repayable in 36 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

b) Vehicle loans from various financial institutions of Rs 64.15 lakhs (March 31, 2016 : Rs 60.05 lakhs and 1st April, 2015: Rs 28.31 lakhs) carry interest rate ranging from 9.53% - 12.34% p.a. The loans are repayable in 35 - 60 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

III) Equipment Loans

a) Equipment loan from bank of Rs 224.47 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) carries an interest rate of 9.25% p.a. The loan is repayable in 47 monthly installments along with interest. The loans are secured by way of hypothecation of the respective equipment.

b) Equipment loan from financial institution of Rs 38.54 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) carries an interest rate of 11.50% p.a. The loan is repayable in 24 monthly installments along with interest. The loans are secured by way of hypothecation of the respective equipment.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

as at March 31, 2017

Note 18

Non-Current Liability- Trade Payables

Particulars	As at **March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Trade Payables	-	-	992.10
Total	-	-	992.10

Pursuant to the adoption of Ind AS, effective from 1 April 2015, all toll collection rights acquired have been accounted as "intangible assets" as required under Ind AS 38 and are amortised over the period of the respective contracts. In addition, corresponding liability which is payable to authority against acquisition of toll collection rights is recognised as trade payables. These trade payables are discounted as per the payment terms of the contract.

Refer to Note 32 for liquidity risk

Note 19

Provisions

Particulars	As at **March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Non-Current Provisions			
Employee benefits			
Gratuity (Refer Note 44)	**256.08**	171.14	140.68
Total (A)	**256.08**	171.14	140.68
Current Provisions			
Employee benefits			
Gratuity (Refer Note 44)	**36.40**	37.16	30.12
Wealth Tax	-	-	2.62
Total (B)	**36.40**	37.16	32.74
Total (A)+(B)	**292.48**	208.30	173.42

Note 20

Other non-current liabilities

Particulars	As at **March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Mobilisation Advance *	**41,464.73**	15,137.50	11,407.18
Total	**41,464.73**	15,137.50	11,407.18

*Mobilisation Advance from MEP Infrastructure Private Limited (subsidiary company) Rs.21,983.78 lakhs (previous year : Rs. 15,137.50 lakhs , April 1, 2015 : 11,407.18 lakhs) pursuant to a contract for maintenance of structures, flyovers etc at five Mumbai Entry Points.

*Mobilisation Advance from MEP Nagpur Ring Road 1 Private Limited (Jointly Controlled Entity) Rs. 3,421.59 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

*Mobilisation Advance from MEP Sanjose Nagpur Ring Road 2 Private Limited (Jointly Controlled Entity) Rs. 4,572.61 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

*Mobilisation Advance from MEP Sanjose Arawali Kante Road Private Limited (Jointly Controlled Entity) Rs. 4,657.12 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

*Mobilisation Advance from MEP Sanjose Kante Waked Road Private Limited (Jointly Controlled Entity) Rs. 6,068.31 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

*Mobilisation Advance from MEP Sanjose Talaja Mahuva Road Private Limited (Jointly Controlled Entity) Rs. 526.53 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

*Mobilisation Advance from MEP Sanjose Mahuva Kagavadar Road Private Limited (Jointly Controlled Entity) Rs. 234.79 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

Note 21
Current Financial Liability-Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured Loans			
- from banks	4,151.92	8,606.67	6,019.40
- from financial institution	300.00	-	-
Loans repayable on demand (secured)			
- from banks	12,088.21	12,495.73	11,715.49
Unsecured Loans			
From Related Parties	-	25.82	100.00
Total	**16,540.13**	**21,128.22**	**17,834.89**

Refer to Note 32 for liquidity risk.

Nature of Security and terms of repayment

(I) Short Term Secured borrowings

A) Term Loans from bank amounting Rs 3350.00 lakhs (March 31, 2016 : Rs 5000.13 lakhs and 1st April, 2015: Rs 5000.00 lakhs) is secured as below:
(a) First and pari passu charge on entire fixed/current assets of the Company which are not exclusively charged to other Banks/ Lenders.
(b) First charge / hypothecation / assignment of security interest on Escrow account of the projects financed;
(c) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
(d) Debt Service Reserve Account (DSRA) to be maintained for an amount equivalent to the 3 months of interest servicing.
(e) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited;
(f) Personal Guarantee given by Mr. Jayant D. Mhaiskar director of the Company;
The term loan carries an interest rate calculated on base rate of the bank plus a spread of 2.30% p.a. The loan is repayable in bullet upon release of Bid/Performance Security by the Authority of the project financed.

B) Term Loans from bank amounting Rs 386.58 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured as below:
(a) by Hypothecation / assignment of receivables to be generated from the Toll collection at Saukala toll plaza ;
(b) pari passu charge on the project cash flows of saukala toll collection project with the BG issuing bank and exclusive charge over the performance security deposit with NHAI,
(c) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
(d) Personal Guarantee given by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, director of the Company;
The term loan carries an interest rate calculated on base rate of the bank plus a spread of 3.25% p.a. below PLR. The loan is repayable in 12 monthly installments from the date of first disbursement commencing from October 2016.

C) Term Loans from bank amounting Rs Nil (March 31, 2016 : Rs Nil and 1st April, 2015: Rs 1028.36 lakhs) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.
(c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited;
(d) Personal Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on rate of 13.% (floating) p.a. floating at monthly reset. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

D) Term Loans from bank amounting Rs Nil (March 31, 2016 : Rs 495.00 lakhs and 1st April, 2015: Rs Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.
(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on rate of 12.50 % (floating) p.a. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement commencing from June 2016

E) Term Loans from bank amounting Rs Nil (March 31, 2016 : Rs 705.00 lakhs and 1st April, 2015: Rs Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.
(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on rate of 12.50 % (floating) p.a. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement commencing from May 2016

F) Term Loans from bank amounting Rs Nil (March 31, 2016 : Rs 617.25 lakhs and 1st April, 2015: Rs Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable;
(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on rate of 12.50 % p.a. (floating) at monthly rest. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

Note 21
Current Financial Liability-Borrowings (continued)

G) Term Loans from bank amounting Rs 415.60 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured as below :
(a) by Hypothecation / assignment of receivables to be generated from the Brijghat Toll collection account of the projects financed;
(b) by Hypothecation of other movable assets, like toll equipment and performance security deposit receivable;
(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on rate of 11.90 % p.a. (floating) at monthly rest. The loan is repayable in 12 monthly installments commencing from February 2017.

H) Term Loans from bank amounting Rs Nil (March 31, 2016 : Rs 1799.25 lakhs and 1st April, 2015: Rs Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;
(b) Pari passu charge on the project cash flows of toll collection project with the BG issuing bank and Exclusive charge over the performance security deposit with Authority for any project funded by the bank;
(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on rate of 12.50 % p.a. (floating) i.e. 3.25% below PLR. The loan is repayable in 12 unequal monthly installments from the date of first disbursement commencing from April 2016.

Secured loan from financial institution

Term Loans from financial institution amounting Rs 300.00 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured by Pledge of shares of the Company to provide 2.5 times of security.
The term loan carries an interest rate 18.00% p.a. The loan is repayable in 61 days from the date of disbursement commencing from 17 May 2017.

II) Loans repayable on demand

A) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 3656.89 lakhs (March 31, 2016 : Rs 4999.07 lakhs and 1st April, 2015: Rs 4998.27 lakhs) is secured as below:
a) First charge / hypothecation / assignment of security interest on Escrow account;
b) Personal Guarantee given by Mr. Jayant D. Mhaiskar and Mr. Dattatray P. Mhaiskar, directors of the Company;
c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited.
Loan carries an interest rate calculated on the base rate of the bank and a spread of 3% p.a.

B) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 7,497.41 lakhs (March 31, 2016 : Rs 7496.65 lakhs and 1st April, 2015: Rs 6717.22 lakhs) which is secured as below:
a) First charge / hypothecation / assignment of security interest on Escrow account;
b) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
c) First charge on receivable of the projects financed.
d) Personal Guarantee given by Mr. Jayant D. Mhaiskar, director of the Company;
e) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited.
Loan carries an interest rate calculated on the base rate of the bank and a spread of 2.50% p.a.

C) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 285.04 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured by Term deposit. The loan carries an interest rate of 4.95% p.a.

D) Term loan from bank, balance outstanding amounting to Rs 648.87 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured as below :
a) First charge / hypothecation / assignment of security interest on Escrow account;
b) by First and exclusive charge /hypothecation of escrow account of the borrower through which cash flows of the project financed is routed
c) first charge by way of hypothecation of all the movable assets, present and future of the projects financed,
d) First and exclusive charge on receivables of the financed projects upfront cash margin of 5% by way of pledge of Term deposit receipt.
Loan carries an interest rate of 1 year MCLR plus 3.00%.

III) Unsecured loans

Interest free unsecured loan from Mr. Jayant D. Mhaiskar of Rs Nil (March 31, 2016 : Rs 25.82 lakhs and April 1, 2015 : Rs 100 lakhs) is repayable on demand.

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in lakhs)
Notes to Financial Statements
as at March 31, 2017

Note 22
Current Financial Liability-Trade payables

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Trade payables *			
Amount due to Micro, Small and Medium Enterprises **	-	-	0.56
Others	**23,851.11**	37,454.59	36,699.13
Total	**23,851.11**	37,454.59	36,699.69

* The carrying amount of trade payables as at reporting date at fair value. Refer to Note 32 for liquidity risk.

** **Disclosure for Micro, Small and Medium Enterprises**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Principal amount remaining unpaid to any supplier	-	-	0.56
Interest due thereon	-	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-	-
	-	-	0.56

Note 23
Current Financial Liability-Others

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Deposit from contractors	**49.24**	-	-
Employee benefit payable	**383.64**	290.41	295.74
Current maturities of long-term debt	**2,542.22**	1,043.47	5,073.83
Retention from contractors	**9.52**	-	-
Performance security received from subsidiary	**420.17**	420.17	514.50
Margin Money*	**594.00**	594.00	594.00
Interest accrued but not due on borrowings	**256.03**	229.42	0.09
Interest accrued and due on borrowings	-	-	6.28
Unpaid dividend	**0.35**	-	-
Other liabilities	**4,689.64**	284.96	538.69
Total	**8,944.81**	2,862.43	7,023.13

*Margin money aggregating Rs. 594.00 lakhs (previous year; Rs. 594.00 lakhs ; April 1, 2015: 594.00 lakhs) received from MEP Chennai Bypass Toll Road Private Limited (subsidiary company) for the purpose of issuing Bank guarantee to the authority.

Refer to Note 32 for liquidity risk.

Note 24
Other current liabilities

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Mobilisation Advance*	**15,488.19**	1,903.72	1,348.82
Statutory dues	**659.15**	183.93	723.29
Total	**16,147.34**	2,087.65	2,072.11

*Mobilisation Advance from MEP Infrastructure Private Limited (subsidiary company) Rs. 1,568.12 lakhs (previous year : Rs. 1,903.72, April 1, 2015 : 1,348.82.00 lakhs) pursuant to a contract for maintenance of structures, flyovers etc at five Mumbai Entry Points.

*Mobilisation Advance from MEP Nagpur Ring Road 1 Private Limited (Jointly Controlled Entity) Rs. 3,858.39 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

*Mobilisation Advance from MEP Sanjose Nagpur Ring Road 2 Private Limited (Jointly Controlled Entity) Rs. 4,220.88 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

*Mobilisation Advance from MEP Sanjose Arawali Kante Road Private Limited (Jointly Controlled Entity) Rs. 2,507.68 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

*Mobilisation Advance from MEP Sanjose Kante Waked Road Private Limited (Jointly Controlled Entity) Rs. 2,855.67 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

*Mobilisation Advance from MEP Sanjose Talaja Mahuva Road Private Limited (Jointly Controlled Entity) Rs. 351.02 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

*Mobilisation Advance from MEP Sanjose Mahuva Kagavadar Road Private Limited (Jointly Controlled Entity) Rs. 126.43 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

for the year ended March 31, 2017

Note 25

Revenue from operations

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Toll Collection	62,096.61	64,169.84
Construction Revenue	6,336.90	-
Other operating revenue		
- Road repair and maintenance	9,482.14	5,363.43
- Claims from authority	168.68	-
Total	78,084.33	69,533.27

Note 26

Other Income

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest income		
- from fixed deposits	407.98	418.18
- from loans to related parties	2,369.83	3,261.46
- from loans to parties other than related parties	0.11	0.50
- on Income Tax Refund	92.26	
- other Interest income	3.10	2.54
Facility fees from related parties	-	783.80
Profit on sale of assets	38.07	1.33
Provisions no longer required		0.65
Dividend income	1.69	1.51
Miscellaneous income	2.63	5.61
Total	2,915.67	4,475.58

Note 27

Operating and maintenance expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Concession fees to authority	3,253.37	2,085.76
Construction expenses	5,266.76	
Road repairing and maintenance expenses	1,688.10	1,137.17
Maintenance cost paid to authority	73.36	150.20
Toll attendant expenses	583.58	123.46
Other site operational expenses	395.89	291.22
Total	11,261.07	3,787.81

Note 28

Employee benefits expense

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries, wages and bonus	2,782.38	1,928.96
Contribution to Provident and Other Funds (Refer Note 44)	150.38	152.06
Gratuity Expense (Refer Note 44)	39.78	41.26
Staff Welfare Expenses	306.36	213.13
Total	3,278.90	2,335.41

(Currency: Indian Rupees in lakhs)

Note 29
Finance costs

Particulars	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**
Interest expenses		
- from banks	4,803.57	4,672.49
- from financial institutions	677.46	404.41
- from unwinding of trade payables	26.65	245.01
Other borrowing cost		
- Processing fees	304.28	19.28
- Bank guarantee and commission	196.43	168.52
Total	**6,008.39**	**5,509.71**

Note 30
Other expenses

Particulars	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**
Rates and taxes	58.01	110.99
Auditors remuneration (Refer Note 41)	62.03	81.21
Legal consultancy and professional fees	533.51	283.44
Rent	26.84	18.57
Corporate Social Responsibility (CSR) expenditure (Refer Note 39)	55.42	5.00
Bank charges	70.22	104.82
Travelling and conveyance expenses	288.42	276.11
Repairs and maintenance		
- to toll equipments	39.07	74.02
- to computers	32.35	24.78
- others	87.19	60.16
Insurance	31.76	20.52
Directors sitting fees	4.00	5.35
Business promotion and advertisement expenses	236.71	104.95
Miscellaneous expenses	349.90	282.02
Total	**1,875.43**	**1,451.93**

(Currency: Indian Rupees in lakhs)

Note 31

i. Financial instruments – Fair values and risk management

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

A. Accounting classification and fair values

March 31, 2017	Carrying amount			Fair value			
	Fair value through Profit and Loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Non-current investments - Unquoted equity shares*	15.40	-	15.40	-	-	-	-
Non Current Loans	-	8,471.84	8,471.84	-	-	-	-
Other non current financial assets	-	504.47	504.47	-	-	-	-
Trade and other receivables	-	3,533.57	3,533.57	-	-	-	-
Current Loans and Advances	-	10,616.56	10,616.56	-	-	-	-
Cash and cash equivalents	-	1,924.81	1,924.81	-	-	-	-
Bank Balances other than above	-	4,204.72	4,204.72	-	-	-	-
Other Current financial asset	-	8,195.88	8,195.88	-	-	-	-
	15.40	**37,451.86**	**37,467.26**	-	-	-	-
Financial liabilities							
Long term borrowings	-	19,951.78	19,951.78	-	-	-	-
Short term borrowings	-	16,540.13	16,540.13	-	-	-	-
Trade and other payables	-	23,851.11	23,851.11	-	-	-	-
Other Current financial liabilities	-	8,944.81	8,944.81	-	-	-	-
	-	**69,287.83**	**69,287.83**	-	-	-	-

March 31, 2016 INR	Carrying amount			Fair value			
	Fair value through Profit and Loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Non-current investments - Unquoted equity shares*	18.70		18.70	-	-	-	-
Non Current Loans	-	20,448.14	20,448.14	-	-	-	-
Other non current financial assets	-	1,412.96	1,412.96	-	-	-	
Trade and other receivables	-	13.74	13.74	-	-	-	-
Current Loans and Advances	-	12,767.89	12,767.89	-	-	-	
Cash and cash equivalents	-	1,272.93	1,272.93	-	-	-	-
Bank Balances other than above	-	3,601.99	3,601.99	-	-	-	
Other Current financial asset	-	8,289.31	8,289.31	-	-	-	-
	18.70	**47,806.96**	**47,825.66**	-	-	-	-
Financial liabilities							
Long-term borrowings	-	22,145.99	22,145.99	-	-	-	-
Short term borrowings	-	21,128.22	21,128.22	-	-	-	-
Trade and other payables	-	37,454.59	37,454.59	-	-	-	-
Other Current financial liabilities	-	2,862.43	2,862.43	-	-	-	-
	-	**83,591.25**	**83,591.25**	-	-	-	-

April 1, 2015	Carrying amount			Fair value			
	Fair value through Profit and Loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Non-current investments - Unquoted equity shares*	13.69		13.69	-	-	-	-
Non Current Loans	-	15,728.59	15,728.59	-	-	-	-
Other non current financial assets	-	1,237.06	1,237.06	-	-	-	-
Trade and other receivables	-	3,929.34	3,929.34	-	-	-	-
Current Loans and Advances	-	12,307.43	12,307.43	-	-	-	-
Cash and cash equivalents	-	799.36	799.36	-	-	-	-
Bank Balances other than above	-	3,034.94	3,034.94	-	-	-	-
Other Current financial asset	-	4,108.88	4,108.88	-	-	-	-
	13.69	**41,145.60**	**41,159.29**	-	-	-	-
Financial liabilities							
Long-term borrowings	-	16,520.01	16,520.01	-	-	-	-
Short term borrowings	-	17,834.89	17,834.89	-	-	-	-
Trade and other payables- Non Current	-	992.10	992.10	-	-	-	-
Trade and other payables- Current	-	36,699.69	36,699.69	-	-	-	-
Other Current financial liabilities	-	7,023.13	7,023.13	-	-	-	-
	-	**79,069.82**	**79,069.82**	-	-	-	-

*The fair value in respect of the unquoted equity investments cannot be reliably estimated. The Company has currently measured them at cost.

Note 32

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's board of directors is primarily responsible to develop and monitor Company's Risk Management framework. The Company has a risk management policy in place.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk on its receivables is recognised on the statement of financial position at the carrying amount of those receivable assets, net of any provisions for doubtful debts. Receivable balances and deposit balances are monitored on a monthly basis with the result that the company's exposure to bad debts is not considered to be material.

The Company has no significant concentrations of credit risk. It has policies in place to ensure that sale transactions are made to customers with an appropriate credit history.

The Company does not have any credit risk outside India.

Impairment

The ageing of trade and other receivables that were not impaired was as follows.

	Carrying amount		
	March 31, 2017	March 31, 2016	April 1, 2015
Neither past due nor impaired	**432.33**	13.74	3,043.34
Past due 1–30 days	**904.81**	-	886.00
Past due 31–90 days	**1,759.89**	-	-
Past due 91–120 days	**436.54**	-	-
Past due 121–180 days	-	-	-
Past due 181–360 days	-	-	-
More than 360 days	-	-	-
	3,533.57	13.74	3,929.34

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Cash equivalents & Other bank balances/deposits

The Company held cash equivalents and other bank balances/deposits of INR 6,403.85 lakhs at March 31, 2017 (March 31, 2016: INR 5,816.37 lakhs, April 1, 2015 : INR 4,833.27 lakhs). The cash equivalents and other bank balances/deposits are held with bank counterparties with good credit ratings.

(Currency: Indian Rupees in lakhs)

Financial instruments – Fair values and risk management (continued)

iii. Liquidity risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. The group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity pattern of Financial- Liabilities

March 31, 2017	**Carrying amount**	**Contractual cash flows** Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings and Interest thereon	**39,035.17**	**50,302.13**	**22,002.70**	**5,672.21**	**14,316.88**	**8,310.33**
Trade payables	**23,851.11**	**23,863.19**	**23,863.19**	-	-	-
Other Payables	**6,402.58**	**6,402.58**	**6,402.58**	-	-	-
	69,288.86	**80,567.90**	**52,268.47**	**5,672.21**	**14,316.88**	**8,310.33**

March 31, 2016	Carrying amount	Contractual cash flows Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings and Interest thereon	44,317.67	59,887.36	25,966.03	4,533.00	16,227.51	13,160.82
Trade payables	37,454.59	37,481.24	37,481.24	-	-	-
Other Payables	1,818.96	1,818.96	1,818.96	-	-	-
	83,591.22	99,187.56	65,266.23	4,533.00	16,227.51	13,160.82

April 1, 2015	Carrying amount	Contractual cash flows Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings and Interest thereon	39,428.73	54,238.51	25,389.14	2,644.63	8,886.53	17,318.21
Trade payables	37,691.80	39,041.13	38,049.03	992.10	-	-
Other Payables	1,949.28	1,949.28	1,949.28	-	-	-
	79,069.81	95,228.92	65,387.45	3,636.73	8,886.53	17,318.21

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

Financial instruments – Fair values and risk management (continued)

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

v. Currency risk:

The risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. Since company does not have any foreign exchange transactions, it is not exposed to this risk.

vi. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. Borrowings taken and issued at fixed and floating rates exposes company cash flow interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	March 31, 2017	March 31, 2016	April 1, 2015
Fixed-rate instruments			
Financial assets	**10,375.83**	35,336.54	24,139.80
Financial liabilities	**(773.78)**	(1,386.26)	(1,335.15)
	9,602.05	33,950.28	22,804.65
Variable-rate instruments			
Financial assets	-	-	-
Financial liabilities	**(38,260.35)**	(43,856.93)	(38,985.68)
	(38,260.35)	(43,856.93)	(38,985.68)
Total	**(28,658.30)**	(9,906.65)	(16,181.03)

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

	Profit or loss	
INR	**100 bp increase**	**100 bp decrease**
March 31, 2017		
Variable-rate instruments	(382.60)	382.60
Cash flow sensitivity (net)	(382.60)	382.60
March 31, 2016		
Variable-rate instruments	(438.57)	438.57
Cash flow sensitivity (net)	(438.57)	438.57

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

Financial instruments – Fair values and risk management (continued)

vii. Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves . The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-Current Borrowings	**22,494.00**	23,189.46	21,593.84
Current Borrowings	**16,540.13**	21,128.22	17,834.89
Gross Debt	**39,034.13**	44,317.68	39,428.73
Less - Cash and Cash Equivalents	**(1,924.81)**	(1,272.93)	(799.36)
Less - Other Bank Deposits	**(4,204.72)**	(3,601.99)	(3,034.94)
Adjusted net debt	**32,904.60**	39,442.77	35,594.43
Total equity	**60,101.32**	58,751.47	25,396.22
Adjusted net debt to adjusted equity ratio	**0.55**	0.67	1.40

Note 33
Earnings Per Share
Basic and diluted earnings per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

Particulars	**For the year ended March 31, 2017**	For the year ended March 31, 2016
Profit/(Loss) for basic and diluted earnings per share (A)	**1,767.83**	3,030.49
Weighted average number of equity shares (B)	**162,569,191**	158,522,269
Basic earnings per share (Rs.) (A / B)	**1.09**	1.91
Weighted average number of equity shares outstanding during the year for the calculation of diluted earnings per share (C)	**162,569,191**	158,522,269
Diluted earnings per share (Rs.) (A / C)	**1.09**	1.91

Note 34
Capital Commitments

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Estimated amount of contracts remaining to be executed on capital account (net of advance)	**2,049.77**	961.51	0.61

Note 35

Operating lease commitments

The Company had entered into operating lease agreement for premises, which it cancelled during the previous year. Rent expenses debited to the Statement of Profit and Loss in respect of the non-cancellable lease agreement is Rs. Nil during current year (previous year : Rs. 1.30 lakhs). Also, the Company has entered into operating lease agreement for equipments during the current year. Expenses for equipment leasing debited to the Statement of Profit and Loss is Rs. 30.22 lakhs (previous year : Rs. Nil) in respect of lease agreement. The future minimum lease payments in respect of these equipments as on 31 March 2017 is as below:

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Due not later than one year	**360.12**	-	8.33
Due later than one year but not later than five years	**1,494.18**	-	1.39
Later than five years	-	-	-
Total	**1,854.30**	-	9.71

Note 36
Contingent Liabilities

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Claims made against the Company not acknowledged as debts*	10,578.68	9,356.66	8,171.18
Bank guarantees	41,974.88	29,965.83	22,086.18
Corporate guarantee given on behalf of Indian subsidiaries Companies towards borrowings	546,662.95	323,090.00	346,289.50
Total	**599,216.51**	362,412.49	376,546.86

*Claim against the Company not acknowledged as debts includes Rs. 8,171.18 lakhs (previous year : 8,171.18 lakhs ; April 1,2015 : 8171.18 lakhs) relates to taxability of toll collection pursuant to contracts with MSRDC and NHAI under the category of 'Business Auxiliary Services'. The Department had filed an appeal against the favourable order passed by the Commissioner of Service Tax, Mumbai - II. The matter is currently pending at CESTAT, Mumbai.

(Currency: Indian Rupees in lakhs)

Note 37
Segment information

Primary business segments
The Group has organized its operations into two business segments: Toll Collection/Repairs and Maintenance and Construction.

Toll Collection:
Collection of toll as per the contracts entered with various Government authorities and providing road repairs and maintenance of flyovers, roads and allied structures to its subsidiaries.

Construction:
Construction of roads as per the Engineering, Procurement and Construction (EPC) Contracts entered into with its Joint Venture Companies.

The following tables present revenue and profit information regarding the business segments for the year ended March 31, 2017 and certain asset and liability information regarding industry segments as at March 31, 2017.

A. Information about reportable segments
For the year ended March 31, 2017

Particulars	Toll Collection/ Repairs & Maintenance	Construction	Total Segments
Revenue			
External Customers	71,747.43	6,336.90	78,084.33
Inter-segment	-	-	-
Total Revenue	**71,747.43**	**6,336.90**	**78,084.33**
Segment profit / (loss) before exceptional items and tax	**6,628.60**	**718.11**	**7,346.71**
Segment profit / (loss) before exceptional items and tax includes:			
Identifiable operating expenses	9,081.26	5,458.71	14,539.97
Allocated expenses	539.86	160.08	699.94
Depreciation and amortization	55,497.71		55,497.71
Segment assets	**120,397.82**	**66,895.86**	**187,293.68**
Segment liabilities	**58,858.37**	**68,334.01**	**127,192.38**
Other disclosures			
Capital expenditure	419.90	320.50	740.40

B. Reconciliation of information on reportable segments to Ind AS

Particulars	**For the year ended March 31, 2017**
Profit / loss before tax	
Total profit before exceptional items and tax for reportable segments	7,346.71
Unallocated amounts:	
- Other Expenses	(7,585.67)
- Other Income	2,915.67
Total profit before exceptional items and tax from operations	**2,676.71**

For the year ended March 31, 2016
The Company has one reportable business segment which is toll collection and only one reportable geographical segment. All assets of the group are domiciled in India and the Company earn entire revenue from its operation in India. There is no single customer which contribute more than 10% of the revenue of the Company.

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in lakhs)
Notes to Financial Statements

Note 38
Related party disclosures

A) Names of related parties where control exists

Holding Company	Ideal Toll & Infrastructure Private Limited (Till 30th April, 2015)
Subsidiary Companies	MEP Infrastructure Private Limited Raima Ventures Private Limited Rideema Toll Private Limited MEP Nagzari Toll Road Private Limited MEP IRDP Solapur Toll Road Private Limited MEP Highway Solutions Private Limited Rideema Toll Bridge Private Limited Raima Toll Road Private Limited MEP Hyderabad Bangalore Toll Road Private Limited MEP Chennai Bypass Toll Road Private Limited MEP RGSL Toll Bridge Private Limited MEP Tormato Private Limited Raima Toll and Infrastructure Private Limited MEP Infraprojects Private Limited MEP Toll & Infrastructure Private Limited MEP Infra Constructions Private Limited Mhaiskar Toll Road Private Limited MEP Roads & Bridges Private Limited MEP Foundation (6th July, 2016 onwards)
Step down Subsidiaries	Baramati Tollways Private Limited (a subsidiary of Rideema Toll Private Limited)
Fellow Subsidiary Companies	MEP Una Bus Terminal Private Limited (Till 30th April, 2015) MEP Hamirpur Bus Terminal Private Limited (Till 30th April, 2015) A J Tolls Private Limited (Till 30th April, 2015)
Associate Concern	Ideal Toll & Infrastructure Private Limited (1st May, 2015 onwards)
Jointly Controlled Entities	KVM Technology Solutions Private Limited SMYR Consortium LLP MEP Sanjose Arawali Kante Road Private Limited MEP Sanjose Kante Waked Road Private Limited MEP Sanjose Nagpur Ring Road 2 Private Limited MEP Nagpur Ring Road 1 Private Limited MEP Sanjose Mahuva Kagavadar Road Private Limited MEP Sanjose Talaja Mahuva Road Private Limited

Other related parties with whom transactions have taken place during the year

Key management personnel (KMP)	Mr. Jayant Mhaiskar Mr. Murzash Manekshana
Enterprises owned or significantly influenced / controlled by key management personnel or their relatives where there are transactions	IEPL Power Trading Company Private Limited Ideal Energy Projects Limited MEP Toll Gates Private Limited VCR Toll Services Private Limited MEP Infracon Private Limited Rideema Enterprises. Jan Transport D S Enterprises

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in lakhs)
Notes to Financial Statements

Related party disclosures

B. Disclosures of material transactions with related parties and balances

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2017	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016
I) Transactions during the year												
Remuneration												
Mr. Murzash Manekshana	-	-	-	-	**124.68**	130.27	-	-	-	-	**124.68**	130.27
Mr. Jayant Mhaiskar	-	-	-	-	**123.65**	132.90	-	-	-	-	**123.65**	132.90
Mr. M. Sankaranarayanan	-	-	-	-	**59.93**	54.70	-	-	-	-	**59.93**	54.70
Mr. Shridhar Phadke	-	-	-	-	**19.85**	15.86	-	-	-	-	**19.85**	15.86
Loans given												
Rideema Toll Private Limited	-	-	**29.63**	1,770.30	-	-	-	-	-	-	**29.63**	1,770.30
Rideema Toll Bridge Private Limited	-	-	**1,251.73**	414.89	-	-	-	-	-	-	**1,251.73**	414.89
Raima Toll and Infrastructure Private Limited	-	-	**2,275.00**	1,283.00	-	-	-	-	-	-	**2,275.00**	1,283.00
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	**2.50**	-	-	-	-	-	-	-	**2.50**	-
Raima Toll Road Private Limited	-	-	**334.95**	1,920.26	-	-	-	-	-	-	**334.95**	1,920.26
Baramati Tollways Private Limited	-	-	**399.00**	889.00	-	-	-	-	-	-	**399.00**	889.00
MEP Highway Solutions Private Limited	-	-	**3,305.80**	4,530.59	-	-	-	-	-	-	**3,305.80**	4,530.59
MEP Nagzari Toll Road Private Limited	-	-	-	292.93	-	-	-	-	-	-	-	292.93
MEP IRDP Solapur Toll Road Private Limited	-	-	-	3.05	-	-	-	-	-	-	-	3.05
MEP RGSL Toll Bridge Private Limited	-	-	**970.59**	25.00	-	-	-	-	-	-	**970.59**	25.00
MEP Infra Construction Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	1.00
MEP Infra Projects Private Limited	-	-	**79.27**	1.00	-	-	-	-	-	-	**79.27**	1.00
MEP Toll & Infrastructure Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	1.00
Mhaisker Toll Road Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	1.00
MEP Tormato Private Limited	-	-	**921.39**	4,142.89	-	-	-	-	-	-	**921.39**	4,142.89
Raima Venture Private Limited	-	-	**1.42**	52.00	-	-	-	-	-	-	**1.42**	52.00
Repayment of loans given												
Rideema Toll Private Limited	-	-	**131.71**	245.50	-	-	-	-	-	-	**131.71**	245.50
Rideema Toll Bridge Private Limited	-	-	**1,064.31**	1,311.59	-	-	-	-	-	-	**1,064.31**	1,311.59
Raima Toll and Infrastructure Private Limited	-	-	**2,230.59**	1,283.00	-	-	-	-	-	-	**2,230.59**	1,283.00
MEP Chennai Bypass Toll Road Private Limited	-	-	-	501.50	-	-	-	-	-	-	-	501.50
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	**2,651.09**	464.19	-	-	-	-	-	-	**2,651.09**	464.19
Raima Toll Road Private Limited	-	-	**4,955.30**	125.26	-	-	-	-	-	-	**4,955.30**	125.26
Baramati Tollways Private Limited	-	-	**266.77**	-	-	-	-	-	-	-	**266.77**	-
MEP Nagzari Toll Road Private Limited	-	-	**0.75**	-	-	-	-	-	-	-	**0.75**	-
MEP Highway Solutions Private Limited	-	-	**12,660.41**	2,354.80	-	-	-	-	-	-	**12,660.41**	2,354.80
MEP IRDP Solapur Toll Road Private Limited	-	-	**3.05**	110.00	-	-	-	-	-	-	**3.05**	110.00
MEP RGSL Toll Bridge Private Limited	-	-	**970.59**	108.29	-	-	-	-	-	-	**970.59**	108.29
MEP Infra Construction Private Limited	-	-	**0.81**	-	-	-	-	-	-	-	**0.81**	-
MEP Infra Projects Private Limited	-	-	**0.92**	-	-	-	-	-	-	-	**0.92**	-
MEP Toll & Infrastructure Private Limited	-	-	**0.81**	-	-	-	-	-	-	-	**0.81**	-
Mhaisker Toll Road Private Limited	-	-	**0.90**	-	-	-	-	-	-	-	**0.90**	-
MEP Hamirpur Bus Terminal Private Limited	-	-	-	-	-	-	-	0.61	-	-	-	0.61
MEP Una Bus Terminal Private Limited	-	-	-	-	-	-	-	1.92	-	-	-	1.92
MEP Tormato Private Limited	-	-	**2,264.62**	1,300.00	-	-	-	-	-	-	**2,264.62**	1,300.00
Raima Ventures Private Limited	-	-	**13.12**	40.00	-	-	-	-	-	-	**13.12**	40.00

(Currency: Indian Rupees in lakhs)

Related party disclosures

B. Disclosures of material transactions with related parties and balances

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2017	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016
Repayment of loans taken												
Mr. Jayant Mhaiskar	-	-	-	-	**25.82**	74.18	-	-	-	-	**25.82**	74.18
Mobilisation Advances taken												
MEP Infrastructure Private Limited	-	-	**18,293.72**	8,423.86	-	-	-	-	-	-	**18,293.72**	8,423.86
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	**8,451.49**	-	**8,451.49**	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	**8,958.51**	-	**8,958.51**	-
MEP Sanjose Arawali Kante Road Private Limited	-	-	-	-	-	-	-	-	**7,164.80**	-	**7,164.80**	-
MEP Sanjose Kante Waked Road Private Limited	-	-	-	-	-	-	-	-	**8,923.98**	-	**8,923.98**	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-	-	-	**877.55**	-	**877.55**	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-	-	-	-	-	-	-	**361.22**	-	**361.22**	-
Adjustment of Advance taken												
MEP Infrastructure Private Limited (Mobilisation Advance)	-	-	-	995.68	-	-	-	-	-	-	-	995.68
Repayment of Mobilisation advances taken												
MEP Infrastructure Private Limited	-	-	**11,783.02**	3,142.97	-	-	-	-	-	-	**11,783.02**	3,142.97
MEP Nagpur Ring Road 1 Private Limited				-					**1,171.52**		**1,171.52**	-
MEP Sanjose Nagpur Ring Road 2 Private Limited				-					**165.02**		**165.02**	-
Advances given												
Ideal Toll & Infrastructure Private Limited	**1,864.00**	203.20	-	-	-	-	-	-	-	-	**1,864.00**	203.20
Repayment of advances given												
Ideal Toll & Infrastructure Private Limited	**2,030.00**	433.73	-	-	-	-	-	-	-	-	**2,030.00**	433.73
Margin money/ Performance security received												
MEP RGSL Toll Bridge Private Limited	-	-	-	63.25	-	-	-	-	-	-	-	63.25
Repayment of Margin money/ Performance security received												
MEP Roads & Bridges Private Limited	-	-	**0.00**	407.58	-	-	-	-	-	-	**0.00**	407.58
Share application money paid												
MEP Infrastructure Private Limited	-	-	-	26,228.23	-	-	-	-	-	-	-	26,228.23
Rideema Toll Bridge Private Limited	-	-	-	1,000.00	-	-	-	-	-	-	-	1,000.00
Raima Toll Road Private Limited	-	-	-	1,416.50	-	-	-	-	-	-	-	1,416.50
MEP Highway Solutions Private Limited	-	-	-	164.00	-	-	-	-	-	-	-	164.00
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	2,730.50	-	-	-	-	-	-	-	2,730.50
MEP Chennai Bypass Toll Road Private Limited	-	-	-	116.00	-	-	-	-	-	-	-	116.00
MEP Tormato Private Limited	-	-	-	1,300.00	-	-	-	-	-	-	-	1,300.00
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-			**11,570.64**	-	**11,570.64**	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-			**12,371.85**	-	**12,371.85**	-
MEP Sanjose Arawali Kante Road Private Limited	-	-	-	-	-	-			**7,116.49**	-	**7,116.49**	-
MEP Sanjose Kante Waked Road Private Limited	-	-	-	-	-	-			**9,312.94**	-	**9,312.94**	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-			**5,787.12**	-	**5,787.12**	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-	-	-	-	-			**5,511.63**	-	**5,511.63**	-

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in lakhs)
Notes to Financial Statements

Related party disclosures

B. Disclosures of material transactions with related parties and balances

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2017	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016
Share application money paid returned back												
MEP Infrastructure Private Limited	-	-	-	0.23	-	-	-	-	-	-	-	0.23
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	1,474.00	-	-	-	-	-	-	-	1,474.00
Rideema Toll Bridge Private Limited	-	-	-	1,000.00	-	-	-	-	-	-	-	1,000.00
Raima Toll Road Private Limited	-	-	-	1,000.00	-	-	-	-	-	-	-	1,000.00
Baramati Tollways Private Limited	-	-	-	6.00	-	-	-	-	-	-	-	6.00
MEP Toll Gates Private Limited	-	-	-	-	-	-	-	0.16	-	-	-	0.16
MEP Highway Solutions Private Limited	-	-	-	164.00	-	-	-	-	-	-	-	164.00
MEP Chennai Bypass Toll Road Private Limited	-	-	-	116.00	-	-	-	-	-	-	-	116.00
MEP Tormato Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	1.00
MEP Nagpur Ring Road 1 Private Limited	-	-		-	-	-	-	-	**9,558.85**		**9,558.85**	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-		-	-	-	-	-	**10,394.92**		**10,394.92**	-
MEP Sanjose Arawali Kante Road Private Limited	-	-		-	-	-	-	-	**7,006.39**		**7,006.39**	-
MEP Sanjose Kante Waked Road Private Limited	-	-		-	-	-	-	-	**9,183.74**		**9,183.74**	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-		-	-	-	-	-	**4,309.52**		**4,309.52**	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-		-	-	-	-	-	**4,891.01**		**4,891.01**	-
Shares of Baramati Toll Road Private Limited acquired from												
Rideema Toll Private Limited			**114.98**								**114.98**	-
Equity contribution made												
Purchase of shares of Raima Toll Road Private Limited	-	-	-	916.50	-	-	-	-	-	-	-	916.50
Purchase of shares of MEP Highway Solutions Private Limited	-	-	-	164.00	-	-	-	-	-	-	-	164.00
Purchase of shares of MEP Infrastructure Private Limited	-	-	-	26,228.00	-	-	-	-	-	-	-	26,228.00
Purchase of shares of Rideema Toll Bridge Private Limited	-	-	-	1,000.00	-	-	-	-	-	-	-	1,000.00
Purchase of shares of KVM Technology Solutions Private Limite	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of shares of MEP Tormato Private Limited	-	-	-	1,299.00	-	-	-	-	-	-	-	1,299.00
Purchase of shares of MEP Chennai Bypass Toll Road Private Li	-	-	-	116.00	-	-	-	-	-	-	-	116.00
Purchase of shares of MEP Foundation	-	-	**1.00**	-	-	-	-	-	-	-	**1.00**	-
Purchase of shares of MEP Hyderabad Bangalore Toll Road Priv	-	-	-	1,506.51	-	-	-	-	-	-	-	1,506.51
Purchase of shares of MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	**2,960.74**	-	**2,960.74**	-
Purchase of shares of MEP Sanjose Nagpur Ring Road 2 Private	-	-	-	-	-	-	-	-	**3,572.66**	-	**3,572.66**	-
Purchase of shares of MEP Sanjose Arawali Kante Road Private	-	-	-	-	-	-	-	-	**3,291.74**	-	**3,291.74**	-
Purchase of shares of MEP Sanjose Kante Waked Road Private I	-	-	-	-	-	-	-	-	**4,586.74**	-	**4,586.74**	-
Purchase of shares of MEP Sanjose Talaja Mahuva Road Private	-	-	-	-	-	-	-	-	**0.60**	-	**0.60**	-
Purchase of shares of MEP Sanjose Mahuva Kagavadar Road Pr	-	-	-	-	-	-	-	-	**0.60**	-	**0.60**	-
Sale of investment (Equity contribution)												
A J Tolls Private Limited							**3.30**				**3.30**	-
Investment												
SMYR Consortium LLP	-	-	-	-	-	-	-	-	-	5.00	-	5.00

(Currency: Indian Rupees in lakhs)

Related party disclosures

B. Disclosures of material transactions with related parties and balances

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2017	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016
Expenses incurred on our behalf by												
MEP Infrastructure Private Limited	-	-	-	123.63	-	-	-	-	-	-	-	123.63
MEP RGSL Toll Bridge Private Limited	-	-	**9.98**	-							**9.98**	
MEP Highway Solutions Private Limited	-	-	**45.92**	-	-	-	-	-	-	-	**45.92**	-
MEP Chennai Bypass Toll Road Private Limited	-	-	**0.24**	-	-	-	-	-	-	-	**0.24**	-
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	104.09	-	-	-	-	-	-	-	104.09
Raima Toll and Infrastructure Private Limited	-	-	**27.39**	49.13	-	-	-	-	-	-	**27.39**	49.13
Baramati Tollways Private Limited	-	-	-	3.40	-	-	-	-	-	-	-	3.40
Ideal Toll & Infrastructure Private Limited	-	7.83	-	-	-	-	-	-	-	-	-	7.83
MEP Roads & Bridges Private Limited	-	-	-	1.16	-	-	-	-	-	-	-	1.16
Raima Toll Road Private Limited	-	-	**27.12**	199.47	-	-	-	-	-	-	**27.12**	199.47
Raima Ventures Private Limited	-	-	-	1.65	-	-	-	-	-	-	-	1.65
Rideema Toll Bridge Private Limited	-	-	**39.11**	83.17	-	-	-	-	-	-	**39.11**	83.17
MEP Foundation			**46.67**								**46.67**	
MEP Nagpur Ring Road 1 Private Limited				-					**110.55**		**110.55**	-
MEP Sanjose Nagpur Ring Road 2 Private Limited				-					**255.68**		**255.68**	-
MEP Sanjose Kante Waked Road Private Limited				-					**2.02**		**2.02**	-
MEP Sanjose Talaja Mahuva Road Private Limited				-					**19.09**		**19.09**	-
MEP Sanjose Mahuva Kagavadar Road Private Limited				-					**7.37**		**7.37**	-
Expenses incurred on behalf of												
Ideal Toll & Infrastructure Private Limited	**1.51**	1.58	-	-	-	-	-	-	-	-	**1.51**	1.58
MEP Infrastructure Private Limited	-	-	**230.91**	0.33	-	-	-	-	-	-	**230.91**	0.33
Baramati Tollways Private Limited	-	-	**23.60**	27.44	-	-	-	-	-	-	**23.60**	27.44
Raima Ventures Private Limited	-	-	**2.07**	359.38	-	-	-	-	-	-	**2.07**	359.38
Rideema Toll Bridge Private Limited	-	-	**0.86**	17.16	-	-	-	-	-	-	**0.86**	17.16
MEP Chennai Bypass Toll Road Private Limited	-	-	**100.21**	330.15	-	-	-	-	-	-	**100.21**	330.15
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	**64.75**	0.04	-	-	-	-	-	-	**64.75**	0.04
MEP IRDP Solapur Toll Road Private Limited	-	-	**29.40**	51.82	-	-	-	-	-	-	**29.40**	51.82
Raima Toll Road Private Limited	-	-	**5.99**	0.04	-	-	-	-	-	-	**5.99**	0.04
Raima Toll and Infrastructure Private Limited	-	-	**40.76**	678.83	-	-	-	-	-	-	**40.76**	678.83
MEP Nagzari Toll Road Private Limited	-	-	**4.53**	-	-	-	-	-	-	-	**4.53**	-
MEP Roads & Bridges Private Limited	-	-	-	47.45	-	-	-	-	-	-	-	47.45
MEP RGSL Toll Bridge Private Limited	-	-	**251.41**	121.59	-	-	-	-	-	-	**251.41**	121.59
MEP Highway Solutions Private Limited	-	-	**0.41**	122.17	-	-	-	-	-	-	**0.41**	122.17
MEP Tormato Private Limited	-	-	**48.76**	67.26	-	-	-	-	-	-	**48.76**	67.26
MEP Infracon Private Limited	-	-	-	-	-	-	-	0.10	-	-	-	0.10
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	**147.67**	-	**147.67**	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	**109.35**	-	**109.35**	-
MEP Sanjose Arawali Kante Road Private Limited	-	-	-	-	-	-	-	-	**227.09**	-	**227.09**	-
MEP Sanjose Kante Waked Road Private Limited	-	-	-	-	-	-	-	-	**307.76**	-	**307.76**	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-	-	-	**106.45**	-	**106.45**	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-	-	-	-	-	-	-	**60.71**	-	**60.71**	-
VCR Toll Services Private Limited	-	-	-	-	-	-	-	7.02	-	-	-	7.02
KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	**0.24**	-	0.24	-
Jan Transport	-	-	-	-	-	-	-	3.00	-	-	-	3.00
SMYR Consortium LLP	-	-	-	-	-	-	-	-	**0.86**	1,388.75	**0.86**	1,388.75

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in lakhs)
Notes to Financial Statements

Related party disclosures

B. Disclosures of material transactions with related parties and balances

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2017	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016
Toll Attendant Charges												
D S Enterprises							**414.00**	-	-	-	**414.00**	-
Penal Charges							**600.18**	-	-		**600.18**	-
Facility fees												
KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	-	180.00	-	180.00
MEP RGSL Toll Bridge Private Limited	-	-	-	215.80	-	-	-	-	-	-	-	215.80
Raima Toll and Infrastructure Private Limited	-	-	-	250.00	-	-	-	-	-	-	-	250.00
Raima Ventures Private Limited	-	-	-	138.00	-	-	-	-	-	-	-	138.00
Interest Income												
Baramati Tollways Private Limited	-	-	**122.79**	58.29	-	-	-	-	-	-	**122.79**	58.29
Rideema Toll Bridge Private Limited	-	-	**21.63**	98.03	-	-	-	-	-	-	**21.63**	98.03
Rideema Toll Private Limited	-	-	**447.93**	767.37	-	-	-	-	-	-	**447.93**	767.37
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	**256.34**	399.41	-	-	-	-	-	-	**256.34**	399.41
MEP Chennai Bypass Toll Road Private Limited	-	-	-	16.25	-	-	-	-	-	-	-	16.25
MEP Nagzari Toll Road Private Limited	-	-	**44.77**	76.49	-	-	-	-	-	-	**44.77**	76.49
MEP IRDP Solapur Toll Road Private Limited	-	-	**0.03**	3.01	-	-	-	-	-	-	**0.03**	3.01
MEP Highway Solutions Private Limited	-	-	**888.61**	1,062.99	-	-	-	-	-	-	**888.61**	1,062.99
Raima Toll Road Private Limited	-	-	**305.62**	369.63	-	-	-	-	-	-	**305.62**	369.63
Raima Toll and Infrastructure Private Limited	-	-	**2.11**	14.92	-	-	-	-	-	-	**2.11**	14.92
MEP RGSL Toll Bridge Private Limited	-	-	**4.93**	6.88	-	-	-	-	-	-	**4.93**	6.88
MEP Tormato Private Limited	-	-	**205.94**	385.29	-	-	-	-	-	-	**205.94**	385.29
Raima Ventures Private Limited	-	-	**0.13**	2.91	-	-	-	-	-	-	**0.13**	2.91
Income from toll collection												
D S Enterprises	-	-		-	-	-	**8,362.72**	-	-	-	**8,362.72**	-
MEP Roads & Bridges Private Limited	-	-	-	3,671.75	-	-	-	-	-	-	-	3,671.75
Road repairing charges received												
MEP Infrastructure Private Limited	-	-	**7,039.47**	5,363.43	-	-	-	-	-	-	**7,039.47**	5,363.43
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	**491.00**	-	**491.00**	-
MEP Sanjose Arawali Kante Private Limited	-	-	-	-	-	-	-	-	**336.02**	-	**336.02**	-
MEP Sanjose Kante Waked Road Private Limited									**347.20**		**347.20**	-
MEP Sanjose Mahuva Kagavadar Road Private Limited									**348.32**		**348.32**	-
MEP Sanjose Nagpur Ring Road 2 Private Limited									**500.00**		**500.00**	-
MEP Sanjose Talaja Mahuva Road Private Limited									**420.14**		**420.14**	-
Construction Revenue												
MEP Nagpur Ring Road 1 Private Limited									**3,911.80**		**3,911.80**	-
MEP Sanjose Arawali Kante Private Limited									**299.67**		**299.67**	-
MEP Sanjose Kante Waked Road Private Limited									**42.47**		**42.47**	-
MEP Sanjose Mahuva Kagavadar Road Private Limited									**45.06**		**45.06**	-
MEP Sanjose Nagpur Ring Road 2 Private Limited									**1,985.55**		**1,985.55**	-
MEP Sanjose Talaja Mahuva Road Private Limited									**52.35**		**52.35**	-

(Currency: Indian Rupees in lakhs)

Related party disclosures

B. Disclosures of material transactions with related parties and balances

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2017	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016
Guarantees given on behalf of												
MEP Infrastructure Private Limited	-	-	**26,900.00**	-	-	-	-	-	-	-	**26,900.00**	-
Rideema Toll Bridge Private Limited	-	-	**5,020.00**	-	-	-	-	-	-	-	**5,020.00**	-
MEP Tormato Private Limited	-	-	-	5,000 00	-	-	-	-	-	-	-	5,000 00

Compensation to key managerial personnel of the Company

Nature of benefits	Year Ended 31 March 2017	Year Ended 31 March 2016
Short Term Employee Benefits		
Mr Jayant Mhaiskar	**120.00**	130 00
Mr Murzash Manekshana	**120.00**	126 37
Mr M Sankaranarayanan	**56.14**	52 01
Mr Shridhar Phadke	**17.15**	14 54
Post-employment Benefits		
Mr Jayant Mhaiskar	**3.65**	2 90
Mr Murzash Manekshana	**4.68**	3 90
Mr M Sankaranarayanan	**3.78**	2 69
Mr. Shridhar Phadke	**2.70**	1 32
Total Compensation paid to key managerial personnel	**328.10**	333 73

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in lakhs)
Notes to Financial Statements

Related party disclosures

B. *Disclosures of material transactions with related parties and balances (contd.)*

	Associate Concern			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Jointly Controlled Entity			Total		
	31 March 2017	31 March 2016	01 April 2015	31 March 2017	31 March 2016	01 April 2015	31 March 2017	31 March 2016	01 April 2015	31 March 2017	31 March 2016	01 April 2015	31 March 2017	31 March 2016	01 April 2015	31 March 2017	31 March 2016	01 April 2015
II) Balances at the end of the year																		
Loans given																		
MEP Hamirpur Bus Terminal Private Limited	-	-		-	-		-	-		-	-	0.61	-	-		-	-	0.61
MEP Una Bus Terminal Private Limited	-	-		-	-		-	-		-	-	1.92	-	-		-	-	1.92
Raima Toll Road Private Limited	-	-		**13.17**	4,633.52	2,838.51	-	-		-	-		-	-		**13.17**	4,633.52	2,838.51
Rideema Toll Private Limited	-	-		**6,810.39**	6,912.48	5,387.68	-	-		-	-		-	-		**6,810.39**	6,912.48	5,387.68
Rideema Toll Bridge Private Limited	-	-		**261.33**	73.91	970.60	-	-		-	-		-	-		**261.33**	73.91	970.60
Raima Toll and Infrastructure Private Limited	-	-		**44.41**	-	-	-	-		-	-		-	-		**44.41**	-	-
Baramati Tollways Private Limited	-	-		**1,154.65**	1,122.26	233.26	-	-		-	-		-	-		**1,154.65**	1,122.26	233.26
MEP Highway Solutions Private Limited	-	-		**25.00**	9,379.61	7,203.82	-	-		-	-		-	-		**25.00**	9,379.61	7,203.82
MEP Chennai Bypass Toll Road Private Limited	-	-		-	-	501.50	-	-		-	-		-	-		-	-	501.50
MEP Hyderabad Bangalore Toll Road Private Limited	-	-		-	2,648.59	3,112.78	-	-		-	-		-	-		-	2,648.59	3,112.78
MEP IRDP Solapur Toll Road Private Limited	-	-		-	3.05	110.00	-	-		-	-		-	-		-	3.05	110.00
MEP RGSL Toll Bridge Private Limited	-	-		-	-	83.29	-	-		-	-		-	-		-	-	83.29
MEP Nagzari Toll Road Private Limited	-	-		**686.07**	686.82	393.89	-	-		-	-		-	-		**686.07**	686.82	393.89
Raima Ventures Private Limited	-	-		**0.30**	12.00		-	-		-	-		-	-		**0.30**	12.00	-
MEP Infra Construction Private Limited	-	-		**0.19**	1.00		-	-		-	-		-	-		**0.19**	1.00	-
MEP Infraprojects Private Limited	-	-		**79.35**	1.00		-	-		-	-		-	-		**79.35**	1.00	-
MEP Toll & Infrastrucutre Private Limited	-	-		**0.19**	1.00		-	-		-	-		-	-		**0.19**	1.00	-
MEP Termato Private Limited	-	-		**1,268.48**	2,842.89		-	-		-	-		-	-		**1,268.48**	2,842.89	-
Mhaiskar Toll Road Private Limited	-	-		**0.10**	1.00		-	-		-	-		-	-		**0.10**	1.00	-
Capital Advances given																		
Ideal Toll & Infrastructure Private Limited	**2,297.77**	2,463.77	2,694.30	-	-		-	-		-	-		-	-		**2,297.77**	2,463.77	2,694.30
Advances recoverable in cash or kind																		
Jan Transport	-	-		-	-		-	-		**3.00**	3.00		-	-		**3.00**	3.00	-
Advance against acquisition of shares																		
Rideema Toll Private Limited	-	-		-	114.98	114.98	-	-		-	-		-	-		-	114.98	114.98
Rideema Toll Bridge Private Limited	-	-		-	-	1,000.00	-	-		-	-		-	-		-	-	1,000.00
Raima Toll Road Private Limited	-	-		-	-	500.00	-	-		-	-		-	-		-	-	500.00
MEP Toll Gates Private Limited	-	-		-	-		-	-		-	-	0.16	-	-		-	-	0.16
MEP Hyderabad Bangalore Toll Road Private Limited	-	-		-	-	250.00	-	-		-	-		-	-		-	-	250.00
MEP Chennai Bypass Toll Road Private Limited	-	-		-	-	116.00	-	-		-	-		-	-		-	-	116.00
Baramati Tollways Private Limited	-	-		-	-	6.00	-	-		-	-		-	-		-	-	6.00
MEP Highway Solutions Private Limited	-	-		-	-	164.00	-	-		-	-		-	-		-	-	164.00
MEP Nagpur Ring Road 1 Private Limited													**2,011.79**			**2,011.79**	-	-
MEP Sanjose Nagpur Ring Road 2 Private Limited													**1,976.94**			**1,976.94**	-	-
MEP Sanjose Arawali Kante Road Private Limited													**110.10**			**110.10**	-	-
MEP Sanjose Kante Waked Road Private Limited													**129.20**			**129.20**	-	-
MEP Sanjose Talaja Mahuva Road Private Limited													**1,477.61**			**1,477.61**	-	-
MEP Sanjose Mahuva Kagavadar Road Private Limited													**620.62**			**620.62**	-	-
Mobilisation Advances taken																		
MEP Infrastructure Private Limited	-	-		23,551.92	17,041.22	12,756.00	-	-		-	-		-	-		**23,551.92**	17,041.22	12,756.00
MEP Nagpur Ring Road 1 Private Limited					-		-	-		-	-		**7,279.98**			**7,279.98**	-	-
MEP Sanjose Nagpur Ring Road 2 Private Limited					-		-	-		-	-		**8,793.49**			**8,793.49**	-	-
MEP Sanjose Arawali Kante Road Private Limited					-		-	-		-	-		**7,164.80**			**7,164.80**	-	-
MEP Sanjose Kante Waked Road Private Limited					-		-	-		-	-		**8,923.98**			**8,923.98**	-	-
MEP Sanjose Talaja Mahuva Road Private Limited					-		-	-		-	-		**877.55**			**877.55**	-	-
MEP Sanjose Mahuva Kagavadar Road Private Limited					-		-	-		-	-		**361.22**			**361.22**	-	-
Guarantees given on behalf of																		
Raima Ventures Private Limited	-	-		-	-	15,000.00	-	-		-	-		-	-		-	-	15,000.00
Baramati Tollways Private Limited	-	-		**5,941.00**	5,941.00	5,941.00	-	-		-	-		-	-		**5,941.00**	5,941.00	5,941.00
MEP Infrastructure Private Limited	-	-		**302,757.00**	275,857.00	275,857.00	-	-		-	-		-	-		**302,757.00**	275,857.00	275,857.00
MEP IRDP Solapur Toll Road Private Limited	-	-		-	-	637.50	-	-		-	-		-	-		-	-	637.50
MEP Nagzari Toll Road Private Limited	-	-		-	-	837.50	-	-		-	-		-	-		-	-	837.50
Raima Toll Road Private Limited	-	-		**6,480.00**	6,480.00	8,050.00	-	-		-	-		-	-		**6,480.00**	6,480.00	8,050.00
MEP RGSL Toll Bridge Private Limited	-	-		**1,300.00**	4,000.00	4,000.00	-	-		-	-		-	-		**1,300.00**	4,000.00	4,000.00
Raima Toll and Infrastructure Private Limited	-	-		**2,808.00**	4,808.00	4,808.00	-	-		-	-		-	-		**2,808.00**	4,808.00	4,808.00
Rideema Toll Bridge Private Limited	-	-		**17,540.00**	12,520.00	22,160.00	-	-		-	-		-	-		**17,540.00**	12,520.00	22,160.00
MEP Hyderabad Bangalore Toll Road Private Limited	-	-		**8,360.00**	8,360.00	8,360.00	-	-		-	-		-	-		**8,360.00**	8,360.00	8,360.00
MEP Roads & Bridges Private Limited	-	-		-	-	514.50	-	-		-	-		-	-		-	-	514.50
MEP Highway Solutions Private Limited	-	-		-	124.00	124.00	-	-		-	-		-	-		-	124.00	124.00
MEP Sanjose Mahuva Kagavdar Road Pvt Ltd	-	-	-	-	-	-	-	-		-	-		**3,024.00**	-		**3,024.00**	-	-
MEP Termato Private Limited	-	-		**5,000.00**	5,000.00		-	-		-	-		-	-		**5,000.00**	5,000.00	-

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in lakhs)
Notes to Financial Statements

Related party disclosures

B. ***Disclosures of material transactions with related parties and balances (contd.)***

	Associate Concern			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Jointly Controlled Entity			Total		
Loans taken from the related parties																		-
Mr. Jayant Mhaiskar	-	-		-	-		-	25.82	100.00	-	-		-	-		-	25.82	100.00
Trade receivables																		-
MEP Roads & Bridges Private Limited	-	-		-	-	215.43	-	-		-	-		-	-		-	-	215.43
Raima Ventures Private Limited	-	-		-	-	888.82	-	-		-	-		-	-		-	-	888.82
Raima Toll and Infrastructure Private Limited	-	-		-	-	261.96	-	-		-	-		-	-		-	-	261.96
MEP Nagpur Ring Road 1 Private Limited													1,144.86			1,144.86	-	-
MEP Sanjose Nagpur Ring Road 2 Private Limited													883.34			883.34	-	-
MEP Sanjose Arawali Kante Road Private Limited													329.30			329.30	-	-
MEP Sanjose Kante Wakad Road Private Limited													340.25			340.25	-	-
MEP Sanjose Talaja-Mahuva Road Private Limited													411.74			411.74	-	-
MEP Sanjose Mahuva-Kagavadar Road Private													341.35			341.35	-	-
D S Enterprises	-	-		-	-		-	-		42.28	-	2,551.53	-	-		42.28	-	2,551.53
Other receivables																		
Ideal Toll & Infrastructure Private Limited	-	-	160.80	-	-	-	-	-		-	-		-	-		-	-	160.80
Baramati Tollways Private Limited	-	-		188.59	164.99	140.95	-	-		-	-		-	-		188.59	164.99	140.95
Rideema Toll Bridge Private Limited	-	-		-	-	89.45	-	-		-	-		-	-		-	-	89.45
MEP Infrastructure Private Limited	-	-		159.12	-		-	-		-	-		-	-		159.12	-	-
MEP Hyderabad Bangalore Toll Road Private Limited	-	-		161.78	294.04	399.34	-	-		-	-		-	-		161.78	294.04	399.34
MEP Chennai Bypass Toll Road Private Limited	-	-		393.03	369.55	142.29	-	-		-	-		-	-		393.03	369.55	142.29
MEP Nagzari Toll Road Private Limited	-	-		97.13	92.60	92.60	-	-		-	-		-	-		97.13	92.60	92.60
Raima Toll Road Private Limited	-	-		-	-	117.45	-	-		-	-		-	-		-	-	117.45
Raima Ventures Private Limited	-	-		23.27	107.57	185.17	-	-		-	-		-	-		23.27	107.57	185.17
Raima Toll and Infrastructure Private Limited	-	-		-	575.26	113.87	-	-		-	-		-	-		-	575.26	113.87
MEP RGSL Toll Bridge Private Limited	-	-		-	272.56		-	-		-	-		-	-		-	272.56	-
MEP IRDP Solapur Toll Road Private Limited	-	-		10.92	25.36	90.46	-	-		-	-		-	-		10.92	25.36	90.46
MEP Highway Solutions Private Limited	-	-		-	254.30	132.13	-	-		-	-		-	-		-	254.30	132.13
VCR Toll Services Private Limited	-	-		-	-		-	-		18.76	18.76	11.74	-	-		18.76	18.76	11.74
KVM Technology Solutions Private Limited	-	-		-	-		-	-		-	-		202.74	202.50	5.77	202.74	202.50	5.77
SMYR Consortium LLP	-	-		-	-		-	-		-	-		710.14	709.27		710.14	709.27	-
MEP Termato Private Limited	-	-		87.31	38.54		-	-		-	-		-	-		87.31	38.54	-
MEP Nagpur Ring Road 1 Private Limited	-	-			-								158.56			158.56	-	-
MEP Sanjose Nagpur Ring Road 2 Private Limited													47.84			47.84	-	-
MEP Sanjose Arawali Kante Road Private Limited	-	-			-								225.90			225.90	-	-
MEP Sanjose Kante Waked Road Private Limited	-	-			-								305.73			305.73	-	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-			-								87.37			87.37	-	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-			-								48.34			48.34	-	-
Interest receivable on loans given																		
Baramati Tollways Private Limited	-	-		77.77	151.89	96.60	-	-		-	-		-	-		77.77	151.89	96.60
MEP Hyderabad Bangalore Toll Road Private Limited	-	-		219.97	772.20	376.47	-	-		-	-		-	-		219.97	772.20	376.47
MEP Chennai Bypass Toll Road Private Limited	-	-		-	68.88	52.78	-	-		-	-		-	-		-	68.88	52.78
MEP Nagzari Toll Road Private Limited	-	-		145.25	104.96	31.47	-	-		-	-		-	-		145.25	104.96	31.47
MEP IRDP Solapur Toll Road Private Limited	-	-		0.03	5.32	2.61	-	-		-	-		-	-		0.03	5.32	2.61
Raima Toll Road Private Limited	-	-		4.46	321.59	154.88	-	-		-	-		-	-		4.46	321.59	154.88
Rideema Toll Private Limited	-	-		1,016.53	1,511.98	821.35	-	-		-	-		-	-		1,016.53	1,511.98	821.35
Ridoema Toll Bridge Private Limited	-	-		19.47	-		-	-		-	-		-	-		19.47	-	-
MEP Highway Solutions Private Limited	-	-		150.49	1,602.82	577.17	-	-		-	-		-	-		150.49	1,602.82	577.17
MEP Termato Private Limited	-	-		175.54	335.37		-	-		-	-		-	-		175.54	335.37	-
Raima Ventures Private Limited	-	-		0.11	2.62		-	-		-	-		-	-		0.11	2.62	-
Raima Toll & Infrastructure Private Limited	-	-		-	13.42		-	-		-	-		-	-		-	13.42	-
MEP ROSL Toll Bridge Private Limited	-	-		4.44	6.19		-	-		-	-		-	-		4.44	6.19	-
Payable towards Margin money/ Performance security																		-
MEP Chennai Bypass Toll Road Private Limited	-	-		594.00	594.00	594.00	-	-		-	-		-	-		594.00	594.00	594.00
MEP Roads & Bridges Private Limited	-	-		106.92	106.92	514.50	-	-		-	-		-	-		106.92	106.92	514.50
MEP RGSL Toll Bridge Private Limited	-	-		63.25	63.25		-	-		-	-		-	-		63.25	63.25	-
Raima Toll & Infrastructure Private Limited	-	-		250.00	250.00		-	-		-	-		-	-		250.00	250.00	-
Payables towards expenses incurred by group Companies																		-
Ideal Toll & Infrastructure Private Limited	6.32	7.83		-	-		-	-		-	-		-	-		6.32	7.83	-
Raima Toll Road Private Limited	-	-		7.93	81.99		-	-		-	-		-	-		7.93	81.99	-
MEP Infrastructure Private Limited	-	-		-	81.66	419.29	-	-		-	-		-	-		-	81.66	419.29
MEP RGSL Toll Bridge Private Limited	-	-		113.99	-	12.20	-	-		-	-		-	-		113.99	-	12.20
Raima Toll and Infrastructure Private Limited	-	-		31.46	-		-	-		-	-		-	-		31.46	-	-
MEP Highway Solutions Private Limited	-	-		45.52	-		-	-		-	-		-	-		45.52	-	-
Rideema Toll Bridge Private Limited	-	-		20.53	23.65		-	-		-	-		-	-		20.53	23.65	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-			-		-	-		-	-		148.92	-		148.92	-	-

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in lakhs)
Notes to Financial Statements

Related party disclosures

B. *Disclosures of material transactions with related parties and balances (contd.)*

	Associate Concern			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Jointly Controlled Entity			Total		
Construction Work in Progress																		
MEP Nagpur Ring Road 1 Private Limited													1,465.67			1,465.67	-	-
MEP Sanjose Nagpur Ring Road 2 Private Limited													1,028.67			1,028.67	-	-
MEP Sanjose Arawali Kante Road Private Limited													299.67			299.67	-	-
MEP Sanjose Kante Waked Road Private Limited													42.47			42.47	-	-
MEP Sanjose Talaja Mahuva Road Private Limited													52.35			52.35	-	-
MEP Sanjose Mahuva Kagavadar Road Private Limited													45.06			45.06	-	-
																		-
Remuneration payable																		-
Mr. Murzash Manekshana	-	-		-	-		7.83	5.72	2.76	-	-		-	-		7.83	5.72	2.76
Mr. M. Sankaranarayanan							3.22	2.87	2.37							3.22	2.87	2.37
Mr. Shridhar Phadke							1.44	0.50	0.12							1.44	0.50	0.12
Mr. Jayant Mhaiskar	-	-		-	-		6.61	5.55	5.73	-	-		-	-		6.61	5.55	5.73

C. *Disclosures of Commitments with related parties and balances at the year end*

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Construction Contracts with Joint Controlled entities	345,973.05	-	-
Maintenance Contracts with Subsidiaries	68,700.00	72,100.00	78,900.00
Total	414,673.05	72,100.00	78,900.00

Note 39
Corporate Social Responsibility (CSR) activities

The Company has spent Rs. 55.42 lakhs (previous year : 5.00 lakhs) towards various schemes of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013. The details are:
I. Gross amount required to be spent by the Company during the year: Rs. 45.42 lakhs (previous year: Rs.38.59 lakhs)
II. Amount spent during the year on:

Particulars	In cash/payable	Yet to be paid in Cash	Total
i) Construction/Acquisition of any asset	-	-	-
	{-}	{-}	{-}
ii) For purposes other than (i) above	**55.42**	-	55.42
	{5.00}	{-}	{5.00}

{figures in brackets pertain to previous year}

Note 40

The Company has a receivable from a jointly controlled entity aggregating to Rs. 710.14 lakhs as at 31 March 2017 (As at March 2016: 709.27 lakhs). The management is confident of recovering the same and hence no provision has been made for the same.

Note 41
Auditor's remuneration (including service tax)

Particulars	**31st March 2017**	31st March 2016
Audit fees	**26.47**	39.38
Limited review fees	**32.20**	38.93
Out of pocket expenses	**3.36**	2.90
Other services (fees for Initial Public Offering)		111.16
Total	**62.03**	192.37
Less: Adjusted against securities premium (as share issue expenses)	-	(111.16)
Total	**62.03**	81.21

Note 42
Disclosure pursuant to Construction Contracts

Particulars	**31st March 2017**	31st March 2016
Contract revenue recognised for the financial year	**6,336.90**	-
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) as at the end of the financial year for all contracts in progress as at that date	**6,336.90**	-
Amount of customer advances outstanding for contracts in progress as at the end of the financial year	**33,401.02**	-
Retention amount by customers for contracts in progress as at the end of the financial year	**170.15**	-
Billed revenue	**3,403.01**	-
Unbilled revenue/ (Excess billing to customers)	**2,933.89**	-

Note 43
Domestic transfer pricing

The Indian Finance Bill, 2012 had sought to bring in certain class of domestic transactions in the ambit of the transfer pricing regulations with effect from 1 April 2012. The Company's management is of the opinion that its domestic transaction are at arm's length so that appropriate legislation will not have an impact on financial statements, particularly on the amount of tax expense and that of provision for taxation. The Company does not have any international transactions with related parties during the year.

(All amounts are in INR lakhs, except per share data and unless stated otherwise)

Note 44
Employee Benefits
Defined Contribution Plan

The Company makes provident fund, Employees State Insurance and Maharashtra Labour Welfare Fund contributions for eligible employees. Under the schemes, the Company is required to contribute a specified percentage / fixed amount of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the respective fund set up by the government authority.
The Company has recognised the following amounts in the Statement of Profit and Loss for the year *

Description	As at 31 March 2017	As at 31 March 2016
Employer's contribution to Provident Fund	**92.51**	96.04
Employer's contribution to Employee state Insurance Corporation	**57.15**	55.38
Employer's Contribution to Maharashtra Labour Welfare Fund	**0.72**	0.65
	150.38	152.06

*Included in Contribution to provident fund and other funds

Defined Benefit Plan - Gratuity
The Company has defined benefit plan for gratuity which is unfunded. The scheme provides payment to vested employees at retirement, death or on resignation/termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

Present value of the defined benefit liabilities
The amount included in the Balance sheet arising from the Company's obligations in respect of its defined benefit schemes is as follows:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Movement in defined benefit obligations:		
At the beginning of the year	**208.31**	170.80
Current service cost	**24.94**	26.76
Interest cost	**14.84**	14.51
Remeasurements :		
(Gain)/loss from change in financial assumptions	**25.95**	
(Gain)/loss from change in demographic assumptions		
Experience (gains)/losses	**14.81**	13.93
Benefits paid	**(19.00)**	(6.46)
Liabilities assumed / (settled)	**22.63**	(11.23)
At the end of the year	**292.48**	208.30

Amount recognised in the Balance Sheet

	31 March 2017	31 March 2016	1 April 2015
Present value of obligations	292.48	208.30	170.80
Present value of plan assets	-	-	-
Net liability recognised	**292.48**	208.30	170.80

Classification into Current / Non-Current
The liability in respect of the plan comprises of the following non current and current portion:

	31 March 2017	31 March 2016	1 April 2015
Current	**36.40**	37.16	30.12
Non current	**256.08**	171.14	140.68
	292.48	208.30	170.80

(All amounts are in INR lakhs, except per share data and unless stated otherwise)

Note 44
Employee Benefits (continued)

The components of defined benefit plan cost are as follows:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Recognised in Income Statement		
Current service cost	**24.94**	26.75
Interest cost / (income) (net)	**14.84**	14.51
Expected return on plan assets		
Total	**39.78**	41.26
Recognised in Other Comprehensive Income		
Remeasurement of net defined benefit liability/(asset)	**40.76**	13.93
Expense recognised in Total Comprehensive Income	**80.54**	55.19

The principal actuarial assumptions used for estimating the Company's benefit obligations are set out below (on a weighted average basis):

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Rate of increase in salaries	**6.00%**	6.00%	6.00%
Discount rate	**6.95%**	7.85%	7.95%
Expected average remaining service lives of the employees	**9.83**	8.97	8.68

Notes:
1. Discount rate
The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.
2. Salary escalation rate
The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
3. Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

Sensitivity of the defined benefit obligation :

Particulars	Change in Assumption	Effect on Gratuity Obligation As at March 31, 2017	As at March 31, 2016
Discount rate	Minus 50 basis points	**16.20**	10.50
	Plus 50 basis points	**(14.89)**	(9.66)
Rate of increase in salaries	Minus 50 basis points	**(11.47)**	(8.29)
	Plus 50 basis points	**11.99**	8.54

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

The weighted average duration of the defined benefit obligation is10.74 years in 2017 and 9.72 years in 2016

The Company makes payment of liabilities from its cash and cash equivalent balances whenever liability arises.
Defined benefit liability and employer contribution

Expected cash flow profile of the benefits to be paid is as follows :

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2017					
Defined benefit obligations (Gratuity)	**33.14**	**22.16**	**55.31**	**620.50**	**731.11**
Total	**33.14**	**22.16**	**55.31**	**620.50**	**731.11**
March 31, 2016					
Defined benefit obligations (Gratuity)	36.79	16.22	44.21	468.15	565.37
Total	36.79	16.22	44.21	468.15	565.37

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in lakhs)

Note 45

Disclosure on Specified Bank Notes

During the year the Company had Specified Bank Notes (SBNs) and other denomination notes as defined in the MCA notification, G.S.Rs 308(E), dated 31 March 2017. The details of SBNs held and transacted during the period from November 08, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows:

	SBNs	**Other denomination notes**	**Total**
Closing cash in hand as on 08.11.2016	401.28	79.92	481.20
(+) Permitted receipts	243.48	3,372.94	3,616.42
(-) Permitted payments	(9.28)	(112.85)	(122.13)
(-) Amount deposited in Banks	(635.48)	(3,086.60)	(3,722.08)
Closing cash in hand as on 30.12.2016	-	**253.41**	**253.41**

Special Bank Notes had defined as Bank Notes in notification of the Government of India, Ministry of Financial Department of Economic Affairs No. S.O. 3407(E), dated 8th November 2016.

Note 46

First-time adoption of Ind AS

The accounting policies set out in Note 1 have been applied in preparing the Standalone Financial statements for years ended March 31 2017, 2016 and April 1, 2015.

An explanation of how the transition from Indian GAAP to Ind AS has affected the Company's Financial Information is set out in the following tables and notes.

Exemptions applied :

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS as at the transition date, i.e. April 1, 2015.

Ind AS optional exemptions

i. **Deemed cost**: The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as on transition date measured as per the previous GAAP and use that carrying value as deemed cost.

The following mandatory exceptions have been applied in accordance with Ind AS 101:

i. **Derecognition of financial assets and financial liabilities:** Company has opted to apply the exemption available under Ind AS 101 to apply the derecognition criteria of Ind AS 109 prospectively for the transactions occurring on or after the date of transition to Ind AS.

ii. **Estimates:** Upon an assessment of the estimates made under Previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS.

iii. **Classification and measurement of financial assets:** Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist on the date of transition to Ind AS.

The Company has applied the requirement of Ind AS 101 prospectively from April 1, 2015.

Reconciliations:

Ind AS 101 requires the company to reconcile equity, total comprehensive income and cash flows for prior periods. The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101

– Reconciliation of Equity as at Opening Balance Sheet date i.e. April 1,2015 and March 31, 2016
– Reconciliation of Statement of Profit and Loss for the year ended March 2016
– Explanation of material adjustments to cash flow statements

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in lakhs)
Notes to Financial Statements

Reconciliations under Ind AS 101
(ii) Reconciliation of Equity as at April 1,2015

Particulars	Notes to reconciliation	I GAAP*	Effects of transition to Ind AS	Ind AS
ASSETS				
Non current assets				
Property, Plant and Equipment		1,129.29	-	1,129.29
Capital work-in-progress				
Other Intangible assets	3	-	31,762.29	31,762.29
Financial Assets				
i. Investments		20,963.84	-	20,963.84
ii. Loans	2	15,746.87	(18.28)	15,728.59
iii. Other financial assets		1,237.06	-	1,237.06
Deferred tax assets (net)	4	239.32	241.75	481.07
Income tax assets		2,385.60	-	2,385.60
Other non current assets	2,7	18,281.57	13.19	18,294.76
Total non current assets		**59,983.55**	**31,998.95**	**91,982.50**
Current assets				
Financial Assets				
i. Trade receivables		3,929.34	-	3,929.34
ii. Cash and cash equivalents		799.36	-	799.36
iii. Bank balances other than (ii) above		3,034.94	-	3,034.94
iv. Loans		12,307.43	-	12,307.43
v. Other financial assets		4,108.88	-	4,108.88
Other current assets	2, 7	1,953.62	2.68	1,956.30
Total current assets		**26,133.57**	**2.68**	**26,136.25**
Total assets		**86,117.12**	**32,001.63**	**118,118.75**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital		11,149.43	-	11,149.43
Other Equity		14,716.25	(469.46)	14,246.79
Total equity		**25,865.68**	**(469.46)**	**25,396.22**
LIABILITIES				
Non-current Liabilities				
Financial liabilities				
i Borrowings	1	16,603.56	(83.55)	16,520.01
ii Trade Payables	3	-	992.10	992.10
Provisions		140.68	-	140.68
Other non-current liabilities		11,407.18	-	11,407.18
Total non current liabilities		**28,151.42**	**908.55**	**29,059.97**
Current Liabilities				
Financial liabilities				
i. Borrowings	1	17,843.85	(8.96)	17,834.89
ii. Trade payables	3	5,128.20	31,571.49	36,699.69
iii. Other financial liabilities		7,023.13	-	7,023.13
Provisions		32.74	-	32.74
Other current liabilities		2,072.11	-	2,072.11
Total current liabilities		**32,100.03**	**31,562.53**	**63,662.56**
Total liabilities		**60,251.45**	**32,471.08**	**92,722.53**
Total equity and liabilities		**86,117.12**	**32,001.63**	**118,118.75**

* The Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

(Currency: Indian Rupees in lakhs)

Reconciliations under Ind AS 101
(i) Reconciliation of Equity as at 31 March 2016

Particulars	Notes to reconciliation	I GAAP*	Effects of transition to Ind AS	Ind AS
ASSETS				
Non current assets				
Property, Plant and Equipment		1,724.87	-	1,724.87
Capital work-in-progress				-
Other Intangible assets	3	-	32,630.12	32,630.12
Financial Assets				
i. Investments		52,203.86	-	52,203.86
ii. Loans	2	20,463.84	(15.70)	20,448.14
iii. Other financial assets		1,412.96	-	1,412.96
Deferred tax assets (net)	4	282.95	64.36	347.31
Income tax assets		2,716.82	-	2,716.82
Other non current assets	2,7	21,046.17	10.50	21,056.67
Total non current assets		**99,851.47**	**32,689.28**	**132,540.75**
Current assets				
Financial Assets				
i. Trade receivables		13.74	-	13.74
ii. Cash and cash equivalents		1,272.93	-	1,272.93
iii. Bank balances other than (ii) above		3,601.99	-	3,601.99
iv. Loans		12,767.89	-	12,767.89
v. Other current financial assets		8,289.31	-	8,289.31
Other current assets	7	1,286.89	2.65	1,289.54
Total current assets		**27,232.75**	**2.65**	**27,235.40**
Total assets		**127,084.22**	**32,691.93**	**159,776.15**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital		16,256.92	-	16,256.92
Other Equity		42,420.44	74.11	42,494.55
Total equity		**58,677.36**	**74.11**	**58,751.47**
LIABILITIES				
Non-current Liabilities				
Financial liabilities				
i. Borrowings	1	22,260.56	(114.57)	22,145.99
Provisions		171.14	-	171.14
Other non current liabilities		15,137.50	-	15,137.50
Total non current liabilities		**37,569.20**	**(114.57)**	**37,454.63**
Current Liabilities				
Financial liabilities				
i. Borrowings	1	21,138.17	(9.95)	21,128.22
ii. Trade payables	3	4,516.58	32,938.01	37,454.59
iii. Other financial liabilities		2,862.43	-	2,862.43
Other current liabilities		2,087.65	-	2,087.65
Provisions	5,6	232.83	(195.67)	37.16
Total current liabilities		**30,837.66**	**32,732.39**	**63,570.05**
Total liabilities		**68,406.86**	**32,617.82**	**101,024.68**
Total equity and liabilities		**127,084.22**	**32,691.93**	**159,776.15**

* The Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in lakhs)
Notes to Financial Statements

(iii) Reconciliation of profit or loss for the year ended 31 March 2016

Particulars	**Notes to reconciliation**	**I GAAP***	**Effects of transition to Ind AS**	**Ind AS**
I Revenue from operations		69,533.27	-	69,533.27
II Other income	2	4,473.04	2.54	4,475.58
III Total Income (I + II)		**74,006.31**	**2.54**	**74,008.85**
IV Expenses				
Operating and maintenance expenses	3	60,670.53	(56,882.73)	3,787.81
Changes in inventories of finished goods and work in progress			-	-
Employee Benefits Expenses	8	2,349.34	(13.93)	2,335.41
Depreciation and amortisation expense	3	381.33	56,144.29	56,525.62
Finance costs	1,3	5,296.71	213.00	5,509.71
Other expenses	2	1,449.25	2.68	1,451.93
Total Expenses (IV)		**70,147.16**	**(536.68)**	**69,610.48**
V Profit before tax (III-IV)		**3,859.15**	**539.22**	**4,398.37**
VI Income Tax expense				
Current tax				
For current year		1,395.00	-	1,395.00
For earlier years		(165.69)	-	(165.69)
Deferred tax	4	(43.63)	182.20	138.57
Total tax expense		**1,185.68**	**182.20**	**1,367.88**
VII Profit from continuing operations (V-VI)		**2,673.47**	**357.02**	**3,030.49**
VIII Other Comprehensive Income/(loss) from continued operations			-	
A (i) Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit obligations	8		(13.93)	(13.93)
(ii) Income tax relating to above items that will not be reclassified to profit or loss	4		4.82	4.82
Other Comprehensive Income/(loss) from continued operations (Net of tax)		-	**(9.11)**	**(9.11)**
IX Total Comprehensive Income/(loss) from continued operations (VII+VIII) (Comprising Profit and Other Comprehensive Income for the period)		**2,673.47**	**347.91**	**3,021.38**

(Currency: Indian Rupees in lakhs)

(iv) **Reconciliation of total equity:**

Reconciliation of net worth as at 31 March 2016 and April 1, 2015

Particulars	Footnote ref.	As on 31 March 2016	As on April 01 2015
Net worth under IGAAP		**58,677.36**	**25,865.68**
Summary of Ind AS adjustments			
Floating rate borrowing - upfront fees paid is recognised on weighted average basis over the tenure of the loan	1	124.52	92.51
Fair valuation of security deposit	2	(2.55)	(2.40)
Intangible assets - Toll collection rights	3	(307.90)	(801.31)
Change in deferred tax	4	4.41	-
Reversal of Proposed dividend	5	162.57	
Reversal of Dividend distribution tax	6	33.10	
Impact of Deferred Tax on above adjustment	4	59.95	241.74
Total Ind AS adjustments		**74.11**	**(469.46)**
Net worth under Ind AS		**58,751.47**	**25,396.22**

Reconciliation of Comprehensive income:

Particulars	Footnote ref.	As on 31 March 2016
Comprehensive income under IGAAP		**2,673.47**
Summary of Ind AS adjustments		
Floating rate borrowing - upfront fees paid is recognised on weighted average basis over the tenure of the loan	1	32.01
Fair value of security deposit	2	(0.15)
Recognition of intangible asset and corresponding liability (Toll collection rights)	3	493.41
Change in deferred tax	4	4.41
Impact of Deferred Tax on above adjustment	4	(181.77)
Total Ind AS adjustments		**347.91**
Comprehensive income under Ind AS		**3,021.38**

Notes to the reconciliation:

1 Under previous GAAP, the Company accounted for the loan arrangement fees as an expense to Profit and Loss account. However under Ind AS, loan arrangement fees have to be amortised on EIR basis.

2 Under previous GAAP, security deposits are carried at their face values. Under Ind AS, non-cancellable deposits (not statutory deposits in nature) are required to be measured at their fair values at inception using an appropriate discounting rate.

3 Pursuant to the adoption of Ind AS, effective from 1 April 2015, all toll collection rights acquired have been accounted as "intangible assets" as required under Ind AS 38 and are amortized over the period of the respective contracts. In addition, corresponding liability which is payable to authority against acquisition of toll collection right is recognised as trade payables. The payment under these contracts, hitherto were recognised as operating and maintenance expenditure.

4 Deferred tax assets (net) :
Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP

5 Under IND AS, Dividends declared after the reporting period but before the financial statements are authorized for issue, are not recognised as a liability because no obligation exists as at the end of the reporting period and the same is disclosed in the notes. Declaration of dividend is considered as non-adjusting event and hence shall be recognised in the year in which it is paid.

6 Under IND AS, Obligation of payment of taxes on dividends actualizes when the shareholders approve the dividend payment and hence, are not recognised as a liability. Proposed dividend and related dividend distribution tax are recognised in the year in which it is paid.

7 On transition to Ind AS, certain adjustments have been made between current and non-current classifications.

8 Under Previous GAAP, Company recognised actuarial gains/losses on defined benefit plan in the profit and loss account. Under Ind AS, the actuarial gains and losses will be recognised in other comprehensive income as remeasurements.

Statement of cash flows:
The transition from Indian GAAP to Ind AS do not have a material impact on the statement of cash flows.

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915

GOKHALE & SATHE MUMBAI CHARTERED ACCOUNTANTS FIRM No. 103264W

Mumbai
Date: 25 May 2017

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

Jayant D. Mhaiskar
Managing Director
DIN: 00716351

Anuya J. Mhaiskar
Director
DIN: 00707650

M. Sankaranarayanan
Chief Financial Officer

Harshad Pusalkar
Company Secretary

Mumbai
Date: 25 May 2017

B S R & Co. LLP
Chartered Accountants
Lodha Excelus, 1st Floor,
Apollo Mills Compound, N.M.Joshi Marg,
Mahalakshmi, Mumbai 400 011.
Telephone + 91 (22) 3989 6000
Fax + 91 (22) 3090 2511

Gokhale & Sathe
Chartered Accountants
308/309, Udyog Mandir No.1,
7-C, Bhagoji Keer Marg,
Mahim, Mumbai 400 016.
Telephone + 91 (22) 4348 4242
Fax + 91 (22) 4348 4241

Independent Auditor's Report

To the Members of
MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Report on the Standalone Financial Statements

We have jointly audited the accompanying standalone financial statements of MEP Infrastructure Developers Limited ("the Company"), which comprise the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ("the Rules"). 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 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 joint 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 joint 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 joint audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

Independent Auditor's Report *(Continued)*

MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Auditor's Responsibility

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

Basis for Qualified Opinion

As more fully explained in note 26.12 to the standalone financial statements, the Company has outstanding receivables of Rs. 709.27 lakhs as at 31 March 2016 from a jointly controlled entity. In the absence of a balance confirmation from the jointly controlled entity as at 31 March 2016, we are unable to comment on the recoverability of the aforementioned balance and the consequential impact, if any, on the standalone financial statements.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, 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 31 March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in exercise of powers conferred by Section 143(11) of the Act, we enclose in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

   a) Except for the matter described in the Basis for Qualified Opinion paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

Independent Auditor's Report *(Continued)*

MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Report on Other Legal and Regulatory Requirements ***(Continued)***

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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Rules;

e) On the basis of the written representations received from the Directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a Director in terms of Section 164(2) of the Act;

f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 26.1 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 **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476

Mumbai
24 May 2016

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
24 May 2016

MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Annexure A to the Independent Auditor's Report of even date on the Standalone Financial Statements of MEP Infrastructure Developers Limited ("the Company")

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during this year. However, these were not reconciled with the books of account and consequently, we are unable to comment on the discrepancies, if any, between the physical items and book records.

(c) According to information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.

ii. The Company is engaged in toll collection business. Accordingly, it does not hold any physical inventory. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.

iii. (a) During the year, the Company has granted unsecured loans to fifteen companies covered in the register maintained under section 189 of the Act. In our opinion and according to the information and explanations given to us, the terms and conditions of the loans is not prejudicial to the Company's interest.

(b) In respect of the loans granted to the companies listed in the register maintained under section 189 of the Act, there is no principal amount due for payment during the year and the borrowers shall repay the principal amount as stipulated in the agreement. However, there is no stipulation of schedule for payment of interest and hence we are unable to make comment on the regularity of payment of interest.

(c) According to the information and explanations given to us, there is no amount of loan granted to companies listed in the register maintained under section 189 of the Act, which are overdue and outstanding for more than ninety days.

iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities in respect of which provisions of section 185 and 186 of the Act are applicable.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits as per the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 of the Act and the rules framed. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the records.

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Annexure A to the Independent Auditor's Report of even date on the Standalone Financial Statements of MEP Infrastructure Developers Limited ("the Company") *(Continued)*

vii. (a) According to the information and explanations given to us and, on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, service tax and other material statutory dues have been generally regularly deposited with the appropriate authorities, except for dues of income tax, in which there have been significant delays in few instances. According to the information and explanations given to us, the Company did not have any dues on account of sales-tax, wealth tax, duty of customs, duty of excise and value added tax.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute except for the following::

Name of the Statue	Nature of the Dues	Amount (in Rs Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Finance Act, 1994	Service Tax	8,171.18	2007-08 to 2011-12	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)

viii. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks during the year. The Company does not have any loans or borrowings from the Government, and has not issued any debentures.

ix. In our opinion and according to the information and explanations given to us, money raised by way of initial public offer and the term loans by the Company were applied for the purposes for which those were raised. The Company has not raised any money by way of further public offer (including debt instruments).

x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the managerial remuneration paid is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

GOKHALE & SATHE * MUMBAI * FIRM No. 103264W * CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Annexure A to the Independent Auditor's Report of even date on the Standalone Financial Statements of MEP Infrastructure Developers Limited ("the Company") *(Continued)*

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details of such related party transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.

xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476

Mumbai
24 May 2016

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
24 May 2016

MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Annexure B to the Independent Auditor's Report of even date on the Standalone Financial Statements of MEP Infrastructure Developers Limited ("the Company")

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

We have jointly audited the internal financial controls over financial reporting of MEP Infrastructure Developers Limited ("the Company") as of March 31, 2016 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 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 joint audit opinion on the Company's internal financial controls system over financial reporting.

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Annexure B to the Independent Auditor's Report of even date on the Standalone Financial Statements of MEP Infrastructure Developers Limited ("the Company") *(Continued)*

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our joint opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476

Mumbai
24 May 2016

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
24 May 2016

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Balance Sheet
as at 31 March 2016

(Currency: Indian rupees in lakhs)

	Notes	31 March 2016	31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	16,256.92	11,149.43
Reserves and surplus	4	42,420.44	14,716.25
		58,677.36	25,865.68
Non-current liabilities			
Long-term borrowings	5	22,260.56	16,603.56
Other Long-term liabilities	6	15,137.50	11,407.18
Long-term provisions	7	171.14	140.68
		37,569.20	28,151.42
Current liabilities			
Short-term borrowings	8	21,138.17	17,843.85
Trade payables			
- Dues to Micro and Small Enterprises	9	-	0.56
- Dues to Others		4,516.58	5,127.64
Other current liabilities	10	4,950.08	9,095.23
Short-term provisions	7	232.83	32.74
		30,837.66	32,100.02
TOTAL		127,084.22	86,117.12
ASSETS			
Non-current assets			
Fixed assets			
- Tangible fixed assets	11	1,724.87	1,129.29
Non-current investments	12	52,203.87	20,963.85
Deferred tax assets	13	282.95	239.32
Long-term loans and advances	14	44,226.84	36,413.63
Other non-current assets	15	1,412.96	1,237.06
		99,851.49	59,983.15
Current assets			
Trade receivables	16	13.74	3,929.34
Cash and bank balances	17	4,874.92	3,834.30
Short-term loans and advances	18	14,230.78	13,829.57
Other current assets	19	8,113.29	4,540.76
		27,232.73	26,133.97
TOTAL		127,084.22	86,117.12
Significant accounting policies	2		
Notes to the standalone financial statements	3-26		

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

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No: 046476

Mumbai
Date: 24 May 2016

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
Date: 24 May 2016

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

Jayant D. Mhaiskar
Managing Director
DIN: 00716351

Anuya J. Mhaiskar
Director
DIN: 00707650

M. Sankaranarayanan
Chief Financial Officer

Shridhar Phadke
Company Secretary

Mumbai
Date: 24 May 2016

MEP Infrastructure Developers Limited

(Formerly known as MEP Infrastructure Developers Private Limited)

Statement of Profit and Loss

for year ended 31 March 2016

(Currency: Indian rupees in lakhs)

	Notes	31 March 2016	31 March 2015
Income			
Revenue from operations	20	69,533.27	90,719.94
Other income	21	4,473.04	2,567.63
Total revenue		74,006.31	93,287.57
Expenses			
Operating and maintenance expenses	22	60,670.53	82,307.46
Employee benefit expenses	23	2,349.34	3,057.75
Finance costs	24	5,296.71	3,376.13
Depreciation	11	381.33	622.97
Other expenses	25	1,449.25	1,389.02
Total expenses		70,147.16	90,753.33
Profit before tax, and prior period items		3,859.15	2,534.23
Prior period expense (net)	26.16	-	29.24
Profit before tax		3,859.15	2,505.00
Tax expenses			
Current tax			
- Current year		1,395.00	1,030.00
- Relating to earlier years		(165.69)	-
Deferred tax (credit)	13	(43.63)	(140.12)
Profit after tax		2,673.47	1,615.12
Earnings per equity share			
- Basic and diluted	26.5	1.69	1.47
(Nominal value per share Rs. 10)			
Significant accounting policies	2		
Notes to the standalone financial statements	3-26		

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

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No: 046476

Mumbai
Date: 24 May 2016

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
Date: 24 May 2016

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

Jayant D. Mhaiskar
Managing Director
DIN: 00716351

Anuya J. Mhaiskar
Director
DIN: 00707650

M. Sankaranarayanan
Chief Financial Officer

Shridhar Phadke
Company Secretary

Mumbai
Date: 24 May 2016

MEP Infrastructure Developers Limited

(Formerly known as MEP Infrastructure Developers Private Limited)

Cash Flow Statement

for year ended 31 March 2016

(Currency: Indian rupees in lakhs)

		31 March 2016	31 March 2015
Cash flows from operating activities			
Net profit before tax		3,859.15	2,505.00
Adjustments:			
Depreciation		381.33	622.97
Profit on sale of fixed assets		(1.33)	(16.63)
Interest income		(3,680.14)	(2,545.68)
Dividend income		(1.51)	(0.69)
Provision for wealth tax		-	2.61
Finance cost		5,296.71	3,376.13
Provisions no longer required written back		(0.65)	-
Operating profit before working capital changes		5,853.56	3,943.72
Adjustments for movements in working capital			
(Increase)/ Decrease in loans and advances		(1,049.10)	(16,947.81)
(Increase)/ Decrease in trade receivables		3,915.60	(1,692.56)
(Increase)/ Decrease in other current assets		(1,443.30)	(895.06)
Increase/ (Decrease) in trade payables		(611.62)	2,195.91
Increase/ (Decrease) in provisions		34.88	51.47
Increase/ (Decrease) in other Long term liabilities		3,730.32	13,350.00
Increase/ (Decrease) in other current liabilities		(380.83)	1,569.76
Cash generated from operations		10,049.51	1,575.42
Income taxes paid		(1,560.56)	(2,452.83)
Net cash generated from/ (used in) operating activities	(A)	8,488.95	(877.41)
Cash flows from investing activities			
Purchase of tangible fixed assets including capital advance		(2,370.71)	(281.52)
Proceeds from sale of fixed assets		6.14	33.64
Loans and advances to related parties - given		(15,327.91)	(24,870.86)
Loans and advances to related parties - repayment received		7,846.67	14,072.35
Investment in fixed deposits		(4,686.65)	(4,848.21)
Redemption / maturity of fixed deposits		4,039.65	1,863.86
Proceeds from sale of current & non current investment		-	160.46
Purchase of current & non current investment		(29,203.86)	(3,176.63)
Interest received		854.00	1,117.23
Dividend received from others		1.51	0.69
Net cash (used in) investing activities	(B)	(38,841.16)	(15,928.98)
Cash flows from financing activities			
Proceeds from issue of shares (including securities premium)		32,400.00	2,500.00
Share issue expenses		(1,268.56)	(600.97)
Interim dividend paid including tax on dividend		(196.59)	-
Proceeds from borrowings		13,606.93	25,392.62
Repayment of borrowings		(8,685.99)	(7,969.23)
Finance cost paid		(5,030.01)	(3,595.66)
Net cash provided by financing activities	(C)	30,825.78	15,726.76
Net (decrease) / increase in cash and cash equivalents	(A+B+C)	473.57	(1,079.64)
Cash and cash equivalents at beginning of the year		799.36	1,879.00
Cash and cash equivalents at end of the year (refer note 1 below)		1,272.93	799.36

GOKHALE & SATHE, MUMBAI, FIRM No. 103264W, CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Cash Flow Statement *(Continued)*
for the year ended 31 March 2016

(Currency: Indian rupees in lakhs)

		31 March 2016	31 March 2015
	Notes to the Cash Flow Statement		
1	**Components of cash and cash equivalents**		
	Cash on hand	346.27	208.79
	Balance with banks		
	- Current accounts	853.43	554.70
	- Fixed deposits	73.23	35.87
		1,272.93	799.36

2 The Cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 ('AS-3') on cash flow statements as specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014

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

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No: 046476

Mumbai
Date: 24 May 2016

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
Date: 24 May 2016

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

Jayant D. Mhaiskar
Managing Director
DIN: 00716351

Anuya J. Mhaiskar
Director
DIN: 00707650

M. Sankaranarayanan
Chief Financial Officer

Shridhar Phadke
Company Secretary

Mumbai
Date: 24 May 2016

Notes to standalone financial statements
for year ended 31 March 2016

(Currency: Indian rupees in lakhs)

1 Company overview

MEP Infrastructure Developers Limited ('MEPIDL' or 'the Company') (formerly known as MEP Infrastructure Developers Private Limited) is into the business of collection of toll as per the contracts entered with various authorities and also in providing road, repair and maintenance services to its subsidiaries.

The Company has undertaken following contracts for toll collection:

Maharashtra State Road Development Corporation Limited , 'MSRDC' at Katai & Gove

National Highways Authority of India, 'NHAI' at:

Toll Name	
Athur	Manoharabad
Bankapur	Paduna
Brijghat	Palsit
Chamari	Pundag
Dasna	Semri
Dastan	Surajbari
Gurau (Semra-Atikabad)	Surjapur

The Company's equity shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) with effect from 6 May, 2015.

2 Significant accounting policies

2.1 *Basis of preparation of stanalone financial statements*

These standalone financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules,2014 and other accounting principles generally accepted in India ('Indian GAAP') and relevant provisions of the Companies Act 2013 ('the Act'), to the extent notified and applicable. The standalone financial statements are presented in Indian rupees in lakhs, rounded off to two decimal points.

2.2 *Current/non-current classification*

The Schedule III to the Act requires assets and liabilities to be classified as either Current or Non-current

An asset is classified as current when it satisfies any of the following criteria:
(a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
(b) it is expected to be realised within twelve months after the Balance Sheet date; or
(c) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast twelve months after the Balance Sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:
(a) it is expected to be settled in, the entity's normal operating cycle;
(b) it is due to be settled within twelve months after the Balance Sheet date; or
(c) the Company does not have an unconditional right to defer settlement of the liability for atleast twelve months after the Balance Sheet date.

All other liabilities are classified as non-current.

Operating cycle

Based on the nature of activity and the time between the acquisition of assets and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

2.3 *Use of estimates*

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

2 Significant accounting policies *(Continued)*

2.4 *Revenue recognition*

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Toll collection

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

Road repair and maintenance

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

Interest and dividend income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income on investment is recognised when the right to receive dividend is established.

2.5 *Fixed assets*

Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use. When parts of an item of fixed assets have different useful lives they are accounted for as separate items (major components) of fixed assets.

Expenditure incurred on acquisition / construction of fixed assets which are not ready for their intended use as at the Balance Sheet date are disclosed under capital work -in -progress.

2.6 *Depreciation*

Depreciation is provided on the written down value method, at useful lives prescribed in Schedule II of the Companies Act 2013. Depreciation on addition/deletion of fixed assets during the year is provided on pro-rata basis from / to the date of addition/deletion. Fixed assets costing up to Rs 5,000 individually are fully depreciated in the year of purchase.

2.7 *Impairment of assets*

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of assets value in use and net selling price. After impairment if any, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Previously recognised impairment loss is increased or reversed on changes in internal /external factors.

2.8 *Borrowing costs*

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

2.9 *Investments*

Long term investments are valued at cost, less provision for other than temporary diminution in value, if any. Current investments are valued at the lower of cost and fair value.

2.10 *Employee benefits*

i) ***Short term employee benefits***

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service.

ii) ***Post employment benefits***

Defined contribution plans

The Company's contribution to defined contribution plans such as Provident Fund, Employees' State Insurance and Maharashtra Labour Welfare Fund are recognised in the Statement of Profit and Loss on an accrual basis.

Defined benefit plans

Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary, using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.
When the calculation results in a benefit to the Company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

GOKHALE & SATHE MUMBAI

2 Significant accounting policies *(Continued)*

2.11 *Operating leases*

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

2.12 *Taxation*

Income tax and deferred tax

Income tax expense comprises current income tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year) and reversal of timing differences of earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however; where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum alternate tax (MAT)

Minimum alternate tax (MAT) credit is recognised as an asset only when, and only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period for which the MAT credit can be carried forward or set off against the normal tax liability. MAT credit entitlement is reviewed at each Balance Sheet date and written down to the extent there is no convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.13 *Earnings per share (EPS)*

Basic earnings per share is calculated by dividing the net profit/loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the result would be anti dilutive.

2.14 *Provisions and contingencies*

The Company recognises a provision when there is a present obligation as a result of a past (or obligating) event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for the contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

2.15 *Cash and Cash equivalents*

In the cash flow statement, cash and cash equivalents include cash in hand, term deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

Notes to standalone financial statements
as at 31 March 2016

(Currency: Indian rupees in lakhs)

3 Share capital

	31 March 2016	31 March 2015
Authorised		
200,000,000 (previous year : 200,000,000) equity shares of Rs 10 each	**20,000.00**	20,000.00
Issued, subscribed and paid-up		
162,569,191 (previous year : 111,494,250) equity shares of Rs 10 each fully paid	**16,256.92**	11,149.43
	16,256.92	11,149.43

(a) **Reconciliation of shares outstanding at the beginning and at the end of the year**

	31 March 2016		31 March 2015	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding, beginning of the year	111,494,250	11,149.43	100,000,000	10,000.00
Shares issued during the year (refer note 26.13)	51,074,941	5,107.49	11,494,250	1,149.43
Shares outstanding, end of the year	162,569,191	16,256.92	111,494,250	11,149.43

(b) **Rights, preferences and restrictions attached to equity shares**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(c) **Shares held by its holding company**

	31 March 2016		31 March 2015	
Equity shares of Rs 10 each fully paid held by:	No. of shares	Amount	No. of shares	Amount
Ideal Toll & Infrastructure Private Limited	-	-	59,940,407	5,994.04
	-	-	59,940,407	5,994.04

(d) **Particulars of shareholders holding more than 5% shares:**

Name of Shareholder	31 March 2016		31 March 2015	
Equity shares of Rs 10 each fully paid held by:	No. of shares	%	No. of shares	%
Ideal Toll & Infrastructure Private Limited	59,940,407	36.87%	59,940,407	53.76%
Dattatray Mhaiskar jointly with Sudha Dattatray Mhaiskar (Directors)	26,447,180	16.27%	25,218,780	22.62%
Jayant Dattatray Mhaiskar jointly with Anuya Jayant Mhaiskar (Directors)	11,227,920	6.91%	11,227,920	10.07%
Jayant Dattatray Mhaiskar (Managing Director)	13,755,578	8.46%	11,003,300	9.87%
	111,371,085	68.51%	107,390,407	96.32%

Note : Pursuant to an Initial Public Offering in May 2015, the shareholding of Ideal Toll & Infrastructure Private Limited (ITIPL) has reduced from 53.76% to 36.87% therefore ITIPL is no longer the holding company as at 31 March 2016.

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

Notes to standalone financial statements
as at 31 March 2016

(Currency: Indian rupees in lakhs)

4 Reserves and surplus

	31 March 2016	31 March 2015
Securities premium account		
At the commencement of the year	1,350.57	-
Received during the year (refer note 26.13)	27,292.51	1,350.57
Less : Share issue expenses	(1,869.53)	-
At the end of the year	26,773.55	1,350.57
Surplus in the Statement of Profit and Loss		
At the commencement of the year	13,365.68	11,750.56
Profit for the year	2,673.47	1,615.12
Appropriations		
Interim equity dividend (Rs. 0.1 per share; previous year : Nil)	(162.57)	-
Proposed equity dividend (Rs 0.1 per share; previous year : Nil)	(162.57)	-
Dividend distribution tax	(67.12)	-
Net surplus in the Statement of Profit and Loss	15,646.89	13,365.68
	42,420.44	14,716.25

5 Long-term borrowings

	Non-current portion		Current portion	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Secured loans				
Term loans				
- from banks	16,991.43	16,340.00	877.67	4,994.34
- from financial institution	5,000.00	-	-	-
	21,991.43	16,340.00	877.67	4,994.34
Vehicle loans				
- from banks	235.58	246.42	139.30	68.32
- from financial institutions	33.55	17.14	26.50	11.17
	269.13	263.56	165.80	79.49
	22,260.56	16,603.56	1,043.47	5,073.83

I) Term loans

A) Term loan includes loan from a bank amounting to Rs Nil (previous year : Rs 3,749.34 lakhs) which is secured by way of first charge of hypothecation / assignment / security interest on escrow account of the projects financed and also, by pledge of 500,000 equity shares and negative lien on 250,000 equity shares of IRB Infrastructure Developers Limited held by the promoters of the Company.

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited and personal guarantee given by Mr. J.D. Mhaiskar & Mr. D.P. Mhaiskar, Directors of the Company. The term loan carries an interest rate calculated on base rate of the bank plus a spread of 300 basis points. The term loan is repayable in two equal installments of Rs 3,750.00 lakhs from 1 March 2014.

GOKHALE & SATHE CHARTERED ACCOUNTANTS MUMBAI FIRM No. 103264W

Notes to standalone financial statements
as at 31 March 2016

(Currency: Indian rupees in lakhs)

B) Term loan includes loan from a bank amounting to Rs 15,869.97 lakhs (previous year : Rs 16,975.00 lakhs) which is secured by a first and exclusive charge as under:

a) first exclusive charge on escrow account specifically maintained for maintenance income/receivables from the maintenance contract with MEP Infrastructure Private Limited, a subsidiary;

b) first mortgage and charge on all immovable and movable properties of the Company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties); except as specifically charged;

c) exclusive charge on specific account opened to route the proceeds from the loan and interest thereon extended to the Ideal Toll & Infrastructure Private Limited by MEP Infrastructure Private Limited, subsidiary company;

d) pledge of 15 lakhs shares of IRB Infrastructure Developers Limited, held by the promoters of the company;

e) pledge of 49% of the issued, paid up and voting equity share capital of Ideal Toll & Infrastructure Private Limited;

f) first charge over the all bank accounts including but not limited to escrow account opened by MEP Highway Solutions Private Limited, subsidiary company;

g) corporate guarantees jointly given by Ideal Toll & Infrastructure Private Limited; and personal guarantee given by Mr. J.D. Mhaiskar, Director of the Company

The term loan carries an interest rate calculated on base rate of the bank plus a spread of 275 basis points. The term loan is repayable in 127 unequal monthly installments commencing from 1 September 2014.

C) Term loan includes a loan from a bank amounting to Rs 240.00 lakhs (previous year : Rs 610.00 lakhs) which is secured by way of assignment / hypothecation of receivables to be generated from the Toll collection account of the projects financed.

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited and personal guarantee given by Mr. J.D. Mhaiskar, Director of the Company. The term loan carries an interest rate of 13% p.a. The term loan is repayable in 35 unequal monthly installments commencing after one month from the date of first disbursement.

D) Term loan includes a loan from a bank amounting to Rs 275.42 lakhs (previous year : Nil) which is secured as under :

a) hypothecation / assignment of receivables to be generated from the Toll collection account & refund of performance security from authority of the projects financed;

b) equitable mortgage(second charge) on the residential property situated at Mumbai owned by promoters of the Company;

c) personal guarantee of Promoter Mr. Jayant Mhaiskar.

The term loan carries an interest rate calculated on base rate of 13.00% p.a.(floating at monthly rest) The loan is repayable in 10 monthly installments from the date of disbursement & last installment in lumsum on or before 31st January 2017.

E) Term loan includes a loan from a bank amounting to Rs 1,483.71 lakhs (previous year : Nil) which is secured as under :

a) exclusive charge by way of equitable/registered mortgage on the commercial properties situated at Boomerang building, Chandivali farm road, Andheri East;

b) pledge of 200% of demat shares of the Company (amount equivalent to remaining portion of term loan after considering the amount against the mortgage commercial properties of the Company);

c) Personal guarantee of Promoter Mr. Jayant Mhaiskar;

d) DSRA equivalent to 3 months EMI in form of undisbursed overdraft as sublimit of term loan.

The term loan carries an interest rate calculated on base rate of 11.25 % p.a. i.e. Base rate plus 0.65% (annual reset) The loan is repayable in 72 monthly installments from the date of disbursement.

F) Term loan includes a loan from a financial institution amounting to Rs 5,000.00 lakhs (previous year : Nil) which is secured as under :

a) First pari -passu charge on approximately 21 acres of leasehold land of 99 years located at Baramati, District Pune, Maharashtra giving a security cover of 1.50 times over the loan facility;

b) DSRA equivalent to 3 months interest servicing in form of FD with scheduled commercial bank lien marked;

c) Subservient charge on all revenues & receivable of the Company;

d) Pledge of such number of shares of the Company by the promoters by way of Non-Disposal Undertaking (NDU) mechanism along with Power of Attorney (POA) so as to give cover of 1.00 times on the loan amount;

e) Personal guarantee of Promoter Mr. Jayant Mhaiskar;

f) Corporate guarantee of Baramati Tollways private Limited (Land mortgagor).

The term loan carries an interest rate calculated on base rate of 11.70 % p.a. plus spread of 1.80%. The loan is repayable in 36 equal monthly installments beginning from 25th month from the date of disbursement.

II) **Vehicle loans**

A) Vehicle loans from banks of Rs 374.88 lakhs (previous year : Rs 314.74 lakhs) carry interest rates ranging from 9.76% - 12.38% p.a. The loans are repayable in 36 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

B) Vehicle loans from various financial institutions of Rs 60.05 lakhs (previous year : Rs 28.31 lakhs) carry interest rate ranging from 9.75% - 12.34% p.a. The loans are repayable in 35 - 60 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

(Currency: Indian rupees in lakhs)

6 Other long-term liabilities

	Non-current portion		Current portion	
	31 March 2016	31 March 2015	**31 March 2016**	31 March 2015
Mobilisation Advance*	**15,137.50**	11,407.18	**1,903.72**	1,348.82
Margin money**	**-**	-	**594.00**	594.00
	15,137.50	11,407.18	**2,497.72**	1,942.82

*Mobilisation Advance from MEP Infrastructure Private Limited (subsidiary company) Rs.17,041.22 lakhs (previous year; Rs. 12,756.00 lakhs) pursuant to a contract for maintenance of structures, flyovers etc at five Mumbai Entry Points.

**Margin money aggregating Rs. 594.00 lakhs (previous year; Rs. 594.00 lakhs) received from MEP Chennai Bypass Toll Road Private Limited (subsidiary company) for the purpose of issuing Bank guarantee to the authority.

7 Provisions

	Non-current portion		Current portion	
	31 March 2016	31 March 2015	**31 March 2016**	31 March 2015
Provision for employee benefits				
-Gratuity payable (refer note 26.8)	**171.14**	140.68	**37.16**	30.12
Provision for wealth tax	**-**	-	**-**	2.62
Proposed final equity dividend	**-**	-	**162.57**	-
Provision for tax on equity dividend	**-**	-	**33.10**	-
	171.14	140.68	**232.83**	32.74

8 Short-term borrowings

	31 March 2016	31 March 2015
Term loan (secured)		
- from banks	**8,616.63**	6,028.36
Loans repayable on demand (secured)		
- from bank	**12,495.72**	11,715.49
Unsecured loan from related parties	**25.82**	100.00
	21,138.17	17,843.85

I) Term loans

A) Term Loans from bank amounting to Rs Rs 5,000.13 lakhs (previous year : Rs 5,000.00 lakhs) is secured as below :
(a) First and pari passu charge on entire fixed/current assets of the Company which are not exclusively charged to other Banks/ Lenders;
(b) First charge / hypothecation / assignment of security interest on Escrow account of the projects financed;
(c) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed;
(d) Debt Service Reserve Account (DSRA) to be maintained for an amount equivalent to the next 3 months of interest servicing;
(e) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited;
(f) Personal Guarantee given by Mr. J.D. Mhaiskar director of the Company;
The term loan carries an interest rate calculated on base rate of the bank plus a spread of 2.30% p.a. The loan is repayable in bullet upon release of Bid/Performance Security by the Authority of the project financed.

B) Term Loans from bank amounting to Rs Nil (previous year : Rs 1,028.36 lakhs) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable;
(c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);
(d) Personal Guarantee given by Mr. J.D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on base rate of 13.% p.a. (floating) at monthly rest. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

C) Term Loans from bank amounting to Rs 495.00 lakhs (previous year : Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable;
(c) Personal Guarantee given by Mr. J.D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on base rate of 12.50 % p.a. (floating) at monthly rest. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

D) Term Loans from bank amounting to Rs 705.00 lakhs (previous year : Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable;
(c) Personal Guarantee given by Mr. J.D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on base rate of 12.50 % p.a. (floating) at monthly rest. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

GOKHALE & SATHE CHARTERED ACCOUNTANTS MUMBAI FIRM No. 103264W

Notes to standalone financial statements
as at 31 March 2016

(Currency: Indian rupees in lakhs)

E) Term Loans from bank amounting to Rs 617.25 lakhs (previous year : Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable;
(c) Personal Guarantee given by Mr. J.D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on base rate of 12.50 % p.a. (floating) at monthly rest. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

F) Term Loans from bank amounting to Rs 1799.25 lakhs (previous year : Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;
(b) Pari passu charge on the project cash flows of toll collection project with the BG issuing bank and Exclusive charge over the performance security deposit with Authority and its subsidiaries for any project funded by the bank;
(c) Personal Guarantee given by Mr. J.D. Mhaiskar and Mrs. Anuya J. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on base rate of 12.50 % p.a. (floating) i.e. 3.25% below PLR. The loan is repayable in 12 unequal monthly installments from the date of first disbursement.

II) Loans repayable on demand

A) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 4,999.07 lakhs (previous year : Rs 4,998.27 lakhs) which is secured as below:
(a) First charge / hypothecation / assignment of security interest on Escrow account;
(b) Personal guarantee given by Mr. J.D. Mhaiskar & Mr. D.P. Mhaiskar, directors of the Company;
(c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited;
Loan carries an interest rate calculated on the base rate of the bank plus a spread of 3% p.a.

B) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 7,496.65 lakhs (previous year : Rs 6,717.22 lakhs) which is secured as below:
(a) First charge / hypothecation / assignment of security interest on Escrow account;
(b) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
(c) First charge on receivable of the projects financed.
(d) Personal Guarantee given by Mr. J.D. Mhaiskar, director of the Company;
(e) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited;
(f) Loan carries an interest rate calculated on the base rate of the bank plus a spread of 2.50% p.a.

III) Unsecured loans

A) Interest free unsecured loan from Mr. J.D. Mhaiskar, director of the Company of Rs 25.82 lakhs (previous year : Rs 100.00 lakhs) is repayable on demand.

9 Trade payables

	31 March 2016	31 March 2015
Trade payable towards goods purchased and services received		
- dues of micro enterprises and small enterprises (refer note 26.7)	-	0.56
- other creditors	4,516.58	5,127.64
	4,516.58	5,128.20

10 Other current liabilities

	31 March 2016	31 March 2015
Current maturities of long-term borrowings (refer note 5)	1,043.47	5,073.83
Current maturities of long-term liabilities (refer note 6)	2,497.72	1,942.82
Interest accrued but not due on borrowings	229.42	0.09
Interest accrued and due on borrowings	-	6.28
Performance security received from subsidiaries	420.17	514.50
Employee benefits expense payable	290.41	295.74
Statutory dues payable		
- Tax deducted at source	47.46	399.24
- Tax collected at source	-	290.39
- Provident fund	12.71	15.39
- Profession tax	2.97	2.83
- ESIC	5.26	7.24
- VAT	1.88	5.30
- Service tax	113.65	2.90
Other liabilities	284.96	538.68
	4,950.08	9,095.23

GOKHALE & SATHE CHARTERED ACCOUNTANTS MUMBAI FIRM No. 10326

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to standalone financial statements
as at 31 March 2016

(Currency: Indian rupees in lakhs)

11 Fixed assets
as at 31 March 2016

Particulars	Gross block				Depreciation				Net block
	As at 1 April 2015	Additions	Sale / Deletion	as at 31 March 2016	As at 1 April 2015	For the year	Sale / Deletion	as at 31 March 2016	as at 31 March 2016
Tangible assets									
Office premises*	464.50	598.65	-	1,063.15	82.04	39.82	-	121.86	941.29
Vehicles	1,110.05	271.95	13.65	1,368.35	722.38	186.45	13.65	895.18	473.17
Computer system	281.83	26.98	4.90	303.91	219.43	49.42	4.27	264.58	39.33
Toll equipments	279.21	43.18	10.70	311.69	94.43	46.31	6.52	134.22	177.47
Office equipments	89.84	20.10	-	109.94	65.29	21.33	-	86.62	23.32
Furnitures and fixtures	193.34	20.85	-	214.19	105.90	38.00	-	143.90	70.29
	2,418.76	**981.71**	**29.25**	**3,371.23**	**1,289.47**	**381.33**	**24.44**	**1,646.36**	**1,724.87**

* Office premises are under mortgage with a bank.

During the previous year ended 31 March 2015, the Management has reassessed the useful lives of fixed assets prescribed under Schedule II of the Companies Act , 2013. As a result of the change, the depreciation charge for the previous year is higher by Rs 284.23 lakhs with a corresponding decrease in the written down value of fixed assets and profit before tax for the previous year ended 31 March 2015.

As at 31 March 2015

Particulars	Gross block				Depreciation				Net block
	As at 1 April 2014	Additions	Sale / Deletion	As at 31 March 2015	As at 1 April 2014	For the year	Sale / Deletion	As at 31 March 2015	As at 31 March 2015
Tangible assets									
Office premises*	464.50	-	-	464.50	46.52	35.51	-	82.04	382.46
Vehicles	1,060.52	56.66	7.12	1,110.05	411.86	313.67	3.14	722.38	387.67
Computer system	193.35	94.51	6.04	281.83	101.56	121.40	3.54	219.43	62.41
Toll equipments	174.59	111.56	6.95	279.21	51.47	44.18	1.22	94.43	184.78
Office equipments	84.89	12.84	7.89	89.84	17.16	51.68	3.55	65.29	24.54
Furnitures and fixtures	188.11	5.94	0.72	193.34	49.64	56.53	0.26	105.90	87.43
	2,165.96	**281.52**	**28.72**	**2,418.76**	**678.21**	**622.97**	**11.71**	**1,289.47**	**1,129.29**

* Office premises are under mortgage with a bank.

(Currency: Indian rupees in lakhs)

12 Non-current investments

	31 March 2016	31 March 2015
A) Trade investments		
(Valued at cost)		
I In equity shares of subsidiary companies		
Unquoted, fully paid up		
374,278,998 (previous year : 111,998,998) equity shares of MEP Infrastructure Private Limited of Rs 10 each.	37,934.05	11,706.05
11,498,850 (previous year : 11,498,850) equity shares of Raima Ventures Private Limited of Rs 10 each.	1,149.89	1,149.89
2,488,500 (previous year : 2,488,500) equity shares of Rideema Toll Private Limited of Rs 100 each.	2,488.50	2,488.50
5,159,980 (previous year : 3,999,980) equity shares of MEP Chennai Bypass Toll Road Private Limited of Rs 10 each.	516.00	400.00
15,074,890 (previous year : 9,890) equity shares of MEP Hyderabad Bangalore Toll Road Private Limited of Rs 10 each.	1,507.50	0.99
18,464,980 (previous year : 9,299,980) equity shares of Raima Toll Road Private Limited of Rs 10 each.	1,846.50	930.00
639,800 (previous year : 639,800) equity shares of MEP Nagzari Toll Road Private Limited of Rs 10 each.	63.98	63.98
819,800 (previous year : 819,800) equity shares of MEP IRDP Solapur Toll Road Private Limited of Rs 10 each.	81.98	81.98
12,679,800 (previous year : 2,679,800) equity shares of Rideema Toll Bridge Private Limited of Rs 10 each.	1,267.98	267.98
9,184,800 (previous year : 7,544,800) equity shares of MEP Highway Solutions Private Limited of Rs 10 each.	918.48	754.48
3,999,800 (previous year : 3,999,800) equity shares of MEP RGSL Toll Bridge Private Limited of Rs 10 each.	399.98	399.98
6,999,990 (previous year : 6,999,990) equity shares of Raima Toll and Infrastructure Private Limited of Rs 10 each.	700.00	700.00
12,999,999 (previous year : 9,999) equity shares of MEP Tomato Private Limited of Rs 10 each.	1,300.00	1.00
9,999 (previous year : 9,999) equity shares of MEP Roads & Bridges Private Limited of Rs 10 each	1.00	1.00
9,999 (previous year : 9,999) equity shares of MEP Infra Constructions Private Limited of Rs 10 each	1.00	1.00
9,999 (previous year : 9,999) equity shares of MEP Infraprojects Private Limited of Rs 10 each	1.00	1.00
9,999 (previous year : 9,999) equity shares of MEP Toll & Infrastructure Private Limited of Rs 10 each	1.00	1.00
9,999 (previous year : 9,999) equity shares of Mhaiskar Toll Road Private Limited of Rs 10 each	1.00	1.00
Enterprises over which significant influence is exercised by key managerial personnel		
Unquoted, fully paid up		
3,300 (previous year : 3,300) equity shares of A J Tolls Private Limited of Rs 100 each.	3.30	3.30
II In preference shares of subsidiary company		
Unquoted, fully paid up		
2,00,000,00 (previous year : 2,00,000,00) 12% Non-Cumulative redeemable preference shares of MEP Hyderabad Bangalore Toll Road Private Limited of Rs 10 each.	2,000.00	2,000.00
III In jointly controlled entities		
Unquoted, fully paid up		
3,300 (previous year : 3,300) equity shares of KVM Technology Solutions Private Limited of Rs 10 each.	0.33	0.33
SMYR Consortium LLP	5.00	-

GOKHALE & SATHE * CHARTERED ACCOUNTANTS * FIRM No. 103264W MUMBAI

B) Other investments
(Valued at cost)
Unquoted, fully paid up

4,000 (previous year : 4,000) equity shares of Jankalyan Sahakari Bank Limited of Rs 10 each.	**0.40**	0.40
20,000 (previous year : 20,000) equity shares of The Kalyan Janata Sahakari Bank Limited of Rs 25 each.	**5.00**	5.00
9,980 (previous year : 9,980) equity shares of Thane Janata Sahakari Bank Limited of Rs 50 each.	**4.99**	4.99
5,010 (previous year : Nil) equity shares of Ambernath Jai - Hind Co-Op Bank Limited of Rs 100 each.	**5.01**	-
	52,203.87	20,963.85
Aggregate amount of unquoted investments	**52,203.87**	20,963.85

13 Deferred tax assets

	31 March 2016	31 March 2015
Deferred tax assets		
Excess of depreciation on fixed assets provided in accounts over depreciation under income tax law	**185.21**	159.74
Provision for employee benefits	**97.74**	79.58
	282.95	239.32

14 Long-term loans and advances
(Unsecured, considered good)

	Non-current portion		Current portion	
	31 March 2016	31 March 2015	**31 March 2016**	31 March 2015
To related parties:				
Loans and advances [refer note 14(a)]	**20,276.29**	13,522.08	-	-
Advance consideration for acquisition of equity shares [refer note 14(b)]	**114.98**	2,151.14	-	-
Capital advances [refer note 14(c)]	**2,463.77**	2,694.30	-	-
To parties other than related parties:				
Loans to employees	**16.69**	16.87	**7.52**	9.57
Advance income tax (net of provisions for tax of Rs 3,746.49; previous year Rs 9,264.21 lakhs)	**2,716.82**	2,385.60	-	-
Mobilisation advance	**16,776.52**	15,366.03	**730.67**	971.61
Capital advances	**1,619.53**	-	-	-
Prepaid expenses	**186.36**	221.24	**188.75**	130.77
Performance security	-	-	**4,551.00**	4,980.02
Other security deposits	**55.88**	56.37	**166.53**	1.93
	44,226.84	36,413.63	**5,644.47**	6,093.90

(a) Loans and advances to related parties	31 March 2016	31 March 2015
1 Subsidiary companies		
- MEP Chennai Bypass Toll Road Private Limited (Maximum outstanding during the year Rs 501.50 lakhs; previous year Rs 502.85 lakhs)	-	501.50
- Baramati Tollways Private Limited (Maximum outstanding during the year Rs 1,122.26 lakhs; previous year Rs 233.26 lakhs)	**1,122.26**	233.26
- MEP Highway Solutions Private Limited (Maximum outstanding during the year Rs 10,184.58 lakhs; previous year Rs 10,917.91 lakhs)	**9,379.61**	7,203.82
- MEP IRDP Solapur Toll Road Private Limited (Maximum outstanding during the year Rs 110.00 lakhs; previous year Rs 110.00 lakhs)	**3.05**	110.00
- MEP RGSL Toll Bridge Private Limited (Maximum outstanding during the year Rs 83.29 lakhs; previous year Rs 83.29 lakhs)	-	83.29
- Rideema Toll Private Limited (Maximum outstanding during the year Rs 6,912.48 lakhs; previous year Rs 5,387.68 lakhs)	**6,912.48**	5,387.68
- MEP Infraprojects Private Limited (Maximum outstanding during the year Rs 1.00 lakhs; previous year Rs Nil)	**1.00**	-
- MEP Infra Construction Private Limited (Maximum outstanding during the year Rs 1.00 lakhs; previous year Rs Nil)	**1.00**	-
- MEP Toll & Infrastrucutre Private Limited (Maximum outstanding during the year Rs 1.00 lakhs; previous year Rs Nil)	**1.00**	-
- MEP Tormato Private Limited (Maximum outstanding during the year Rs 4,129.19 lakhs; previous year Rs Nil)	**2,842.89**	-
- Mhaiskar Toll Road Private Limited (Maximum outstanding during the year Rs 1.00 lakhs; previous year Rs Nil)	**1.00**	-
- Raima Ventures Private Limited (Maximum outstanding during the year Rs 52.00 lakhs; previous year Rs Nil)	**12.00**	-

GOKHALE & SATHE CHARTERED ACCOUNTANTS MUMBAI FIRM No. 103264W

14 Long-term loans and advances *(Continued)*

II Fellow subsidiary companies		
- MEP Hamirpur Bus Terminal Private Limited (Maximum outstanding during the year Rs 0.61 lakhs; previous year Rs 0.61 lakhs)	-	0.61
- MEP Una Bus Terminal Private Limited (Maximum outstanding during the year Rs 1.92 lakhs; previous year Rs 1.92 lakhs)	-	1.92
	20,276.29	13,522.08
(b) Advance against acquisition of the equity shares		
I Subsidiary companies		
MEP Hyderbad Bangalore Toll Road Private Limited	-	250.00
Rideema Toll Bridge Private Limited	-	1,000.00
MEP Highway Solutions Private Limited	-	164.00
Raima Toll Road Private Limited	-	500.00
Baramati Tollways Private Limited	-	6.00
Chennai Bypass Toll Road Private Limited	-	116.00
II Enterprises over which significant influence exercised by key management personnel		
MEP Toll Gates Private Limited	-	0.16
	-	2,036.16
III Advance to Rideema Toll Private Limited (Subsidiary Company) for acquisition of its equity holding in Baramati Toll Private Limited (Subsidiary Company)	**114.98**	114.98
	114.98	2,151.14
(c) Capital advances to related parties		
Ideal Toll & Infrastructure Private Limited (Maximum outstanding during the year Rs 2,694.40 lakhs; previous year Rs 2,750.00 lakhs)	**2,463.77**	2,694.30
	2,463.77	2,694.30

15 Other non-current assets

	31 March 2016	31 March 2015
Fixed deposits with banks with maturity period more than twelve months from reporting date (refer note 17)	**1,287.72**	1,207.76
Interest accrued on fixed deposits	**125.24**	29.30
	1,412.96	1,237.06

GOKHALE & SATHE * MUMBAI * FIRM No. 103264W * CHARTERED ACCOUNTANTS

Notes to standalone financial statements
as at 31 March 2016

(Currency: Indian rupees in lakhs)

16 Trade receivables
(Unsecured, considered good)

	31 March 2016	31 March 2015
Receivable outstanding for a period exceeding six months from the date they became due for payment	-	8.60
Other receivables	13.74	3,920.73
	13.74	3,929.34

* Trade receivables of Rs Nil (previous year : Rs 3,917.74 lakhs) are due from related parties as below

Enterprises over which significant influence is exercised by key managerial personnel

- D S Enterprises	-	2,551.53
- MEP Roads & Bridges Private Limited	-	215.43
- Raima Ventures Private Limited	-	888.82
- Raima Toll & Infrastructure Private Limited	-	261.96
	-	3,917.74

17 Cash and bank balances

Cash and cash equivalents	31 March 2016	31 March 2015
Balances with banks		
- in current accounts	853.43	554.70
- in fixed deposits	73.23	35.87
Cash on hand	346.27	208.79
	1,272.93	799.36
Other bank balances*	3,601.99	3,034.94
	4,874.92	3,834.30

Details of bank balances/deposits

Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	926.66	590.57
*Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	3,601.99	3,034.94
Bank deposits due to mature after 12 months of the reporting date included under 'Other non current assets' (refer note 15)	1,287.72	1,207.76
	5,816.37	4,833.27

Notes

*Other bank balances includes fixed deposits with Banks of Rs 1,879.42 lakhs (previous year : Rs 1,703.61 lakhs) which are provided as a lien for maintenance of Debt Service Reserve Account. Bank deposits of Rs. 375.00 lakhs (previous year : Rs 375.00 lakhs) with a bank is provided as cash margin for bank overdraft. Bank deposits of Rs. 2,708.52 lakhs (previous year : Rs 2,199.96 lakhs) with various banks are provided as a lien for bank guarantees given to authorities.

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

Notes to standalone financial statements
as at 31 March 2016

(Currency: Indian rupees in lakhs)

18 Short-term loans and advances

(Unsecured, considered good)	31 March 2016	31 March 2015
To related parties		
Other Loans [refer note 18 (a)]	**8,042.84**	7,315.79
To parties other than related parties		
Current portion of long term loans and advances [refer note 14]	**5,644.47**	6,093.90
Advances recoverable in cash or kind	**42.03**	35.61
Advances to suppliers	**1.36**	27.83
Advances for authority payment	**366.08**	222.44
Bid security / earnest money deposit	**134.00**	134.00
	14,230.78	13,829.57

(a) Other Loans

- Rideema Toll Bridge Private Limited (Maximum outstanding during the year Rs 1,051.10 lakhs; previous year Rs 1,856.41 lakhs)	**73.91**	970.60
- Raima Toll Road Private Limited (Maximum outstanding during the year Rs 4,633.52 lakhs; previous year Rs 2,937.73 lakhs)	**4,633.52**	2,838.52
- MEP Hyderabad Bangalore Toll Road Private Limited (Maximum outstanding during the year Rs 3,112.78 lakhs; previous year Rs 3,116.22 lakhs)	**2,648.59**	3,112.78
- MEP Nagzari Toll Road Private Limited (Maximum outstanding during the year Rs 686.82 lakhs; previous year Rs 393.89 lakhs)	**686.82**	393.89
	8,042.84	7,315.79

19 Other current assets

	31 March 2016	31 March 2015
Interest receivable		
- accrued on fixed deposits	**58.75**	112.48
- accrued on loans to related parties (refer note 26.12)	**4,897.24**	2,113.31
Other receivables from related parties	**3,125.31**	1,682.01
Other receivables from other than related parties	**31.99**	31.99
Share issue expenses	**-**	600.97
	8,113.29	4,540.76

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

Notes to standalone financial statements
for year ended 31 March 2016

(Currency: Indian rupees in lakhs)

20 Revenue from operations

	31 March 2016	31 March 2015
Toll collection	**64,169.84**	86,879.41
Other operating revenue		
- Road repair and maintenance	**5,363.43**	3,840.53
	69,533.27	90,719.94

21 Other income

	31 March 2016	31 March 2015
Interest income		
- from fixed deposits	**418.18**	240.46
- from loans to related parties	**3,261.46**	2,304.91
- from loans to parties other than related parties	**0.50**	0.31
Facility fees from related parties	**783.80**	-
Dividend income	**1.51**	0.69
Provisions no longer required written back	**0.65**	-
Profit on sale of fixed assets	**1.33**	16.63
Miscellaneous income	**5.61**	4.63
	4,473.04	2,567.63

22 Operating and maintenance expenses

	31 March 2016	31 March 2015
Concession fees to authority	**58,968.47**	80,042.33
Road repairing and maintenance expenses	**1,137.17**	1,267.55
Maintenance cost paid to authority	**150.20**	150.00
Toll attendant expenses	**123.46**	335.16
Other site operational expenses	**291.23**	512.42
	60,670.53	82,307.46

23 Employee benefit expenses

	31 March 2016	31 March 2015
Salaries, wages and bonus	**1,928.96**	2,507.06
Contribution to provident funds and other funds (refer note 26.8)	**152.06**	176.54
Gratuity expenses (refer note 26.8)	**55.19**	57.95
Staff welfare expenses	**213.13**	316.20
	2,349.34	3,057.75

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

Notes to standalone financial statements
for year ended 31 March 2016

(Currency: Indian rupees in lakhs)

24 Finance costs

	31 March 2016	31 March 2015
Interest expenses		
- from banks	**4,640.59**	2,957.64
- from financial institutions	**398.92**	1.55
Other borrowing cost		
- Processing fees	**88.68**	297.87
- Bank guarantee and commission	**168.52**	119.07
	5,296.71	3,376.13

25 Other expenses

	31 March 2016	31 March 2015
Rent (refer note 26.3)	**15.88**	11.66
Rates and taxes	**110.99**	135.99
Director sitting fees	**5.35**	1.01
Insurance	**20.52**	24.94
Legal consultancy and professional fees	**283.44**	243.40
Travelling expenses	**276.11**	338.85
Business promotion and advertisement expenses	**104.95**	44.57
Repairs and maintenance		
- to toll equipments	**74.02**	71.51
- to computers	**24.78**	21.67
- others	**60.16**	70.37
Auditors remuneration (refer note 26.4)	**81.21**	30.27
Bank charges	**104.82**	116.45
Corporate social responsibility expense (refer note 26.11)	**5.00**	-
Miscellaneous expenses	**282.02**	278.33
	1,449.25	1,389.02

GOKHALE & SATHE * MUMBAI * FIRM No. 103264W * CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to standalone financial statements
for year ended 31 March 2016

(Currency : Indian rupees in lakhs)

26.1 ***Contingent liabilities / other commitments***

Particulars	31 March 2016	31 March 2015
Claims made against the Company not acknowledged as debts by the Company		
- Service tax*	8,171.18	8,171.18
- Stamp duty	1,185.48	-
Bank guarantees	29,965.83	22,086.18
Corporate guarantees given on behalf of the related parties	323,090.00	346,289.50
	362,412.49	376,546.86

*This relates to taxability of toll collection pursuant to contracts with MSRDC and NHAI under the category of 'Business Auxiliary Services'. The Department had filed an appeal against the favourable order passed by the Commissioner of Service Tax, Mumbai - II. The matter is currently pending at CESTAT, Mumbai.

26.2 ***Capital commitments***

Particulars	31 March 2016	31 March 2015
Estimated amount of contracts remaining to be executed on capital account (net of advance)	961.51	0.61

26.3 ***Operating lease***

The Company had entered into operating lease agreement for premises, which has cancelled during the year. Rent expenses debited to the Statement of Profit and Loss is Rs. 1.30 lakhs (previous year : Rs. 7.07 lakhs) in respect of non-cancellable lease agreement. Total rent expenses is Rs. 15.88 lakhs (previous year : Rs. 11.66 lakhs) (refer note 25). The future minimum lease payments in respect of these properties as on 31 March 2016 is as below:

	31 March 2016	31 March 2015
Not later than one year	-	8.33
Later than one year but not later than five years	-	1.39
Later than five years	-	-
Total	-	9.72

26.4 ***Auditor's remuneration (including service tax)***

Particulars	31 March 2016	31 March 2015
Audit fees	39.38	29.54
Limited review fees	38.93	-
Out of pocket expenses	2.90	0.73
Other services (fees for Initial Public Offering)	111.16	-
Total	192.37	30.27
Less: Adjusted against securities premium (as share issue expenses)	(111.16)	-
Total	81.21	30.27

26.5 ***Earnings per share (EPS)***

		31 March 2016	31 March 2015
Profit after tax attributable to equity shareholders	A	2,673.47	1,615.12
Number of equity shares at the beginning of the year		111,494,250	100,000,000
Number of equity shares outstanding at the end of the year		162,569,191	111,494,250
Weighted average number of equity shares outstanding during the year	B	158,522,269	109,699,258
Basic earnings per equity share (Rs)	(A / B)	1.69	1.47
Diluted earnings per share			
Profit after tax attributable to equity shareholders	A	2,673.47	1,615.12
Weighted average number of equity shares outstanding during the year for the calculation of diluted earnings per share	B	158,522,269	109,699,258
Diluted earnings per equity share (Rs)	(A / B)	1.69	1.47
Face value per equity share (Rs)		10.00	10.00

26.6 ***Segment reporting***

The segment information has been disclosed in the consolidated financial statements of the Company in accordance with paragraph 4 of AS 17 'Segment reporting' as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

Notes to standalone financial statements
for year ended 31 March 2016

(Currency : Indian rupees in lakhs)

26.7 ***Due to micro and small suppliers***

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the Management, outstanding dues to the Micro, Small and Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 are set out in following disclosure:

	31 March 2016	31 March 2015
Principal amount remaining unpaid to any supplier as at the end of the period	-	0.56
Interest due thereon	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

26.8 ***Employee benefits***

The disclosures as required as per the revised Accounting Standard 15 are as under:

I) Defined contribution plan

i) Contribution to Provident Fund
ii) Contribution to Employees State Insurance Corporation
iii) Contribution to Maharashtra Labour Welfare Fund

The Company has recognised the following amounts in the Statement of Profit and Loss for the year

	31 March 2016	31 March 2015
- Employer's Contribution to Provident Fund	96.04	107.31
- Employer's Contribution to Employees State Insurance Corporation	55.38	68.43
- Maharashtra Labour Welfare Fund	0.65	0.79
	152.06	176.54

*Included in Contribution to provident fund and other funds (refer note 23 - Employee benefits)

II) Defined Benefit plan

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement 15 days salary (last drawn salary) for each completed year of service. The company during the period provided Rs 55.19 lakhs (Previous year : Rs 57.95 lakhs) towards gratuity in the Statement of Profit and Loss.

In accordance with the Accounting Standard 15 (Revised 2005), actuarial valuation has been done in respect of defined benefit plan of gratuity based on the following assumptions:

	31 March 2016	31 March 2015
Discount rate	7.85%	7.95%
Salary escalation rate	6.00%	6.00%
Expected average remaining service lives of the employees	8.97	8.68

(i) Change in present value of obligation

	31 March 2016	31 March 2015
Present value of obligations as at 1 April 2015	170.80	119.34
Interest cost	14.51	12.29
Current service cost	26.75	24.17
Benefits paid	(6.46)	(6.48)
Liabilities assumed on acquisition / (settled on divestiture)	(11.23)	-
Actuarial (gain)/loss	13.93	21.49
Present value of obligations as at 31 March 2016	208.30	170.80

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to standalone financial statements
for year ended 31 March 2016

(Currency : Indian rupees in lakhs)

26.8 ***Employee Benefits (Continued)***

II) Defined benefit plan *(Continued)*
(ii) Amount recognised in the Balance Sheet

	31 March 2016	31 March 2015
Present value of obligations as at 31 March 2016	208.30	170.80
Present value of plan assets as at 31 March 2016	-	-
Net liability recognised as on 31 March 2016	208.30	170.80

Classification into Current / Non-Current
The liability in respect of the plan comprises of the following non current and current portion:

	31 March 2016	31 March 2015
Current	37.16	30.12
Non current	171.14	140.68
	208.30	170.80

(iii) Expenses recognised in the Statement of Profit and Loss

	31 March 2016	31 March 2015
Current service cost	26.75	24.17
Interest cost on benefit obligation	14.51	12.29
Net actuarial (gain)/loss recognised in the current year	13.93	21.49
Expense recognised in the Statement of Profit and Loss* (refer note 23)	55.19	57.95

The Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The Company's liability on account of gratuity is not funded and hence the disclosures relating to the planned assets are not applicable.

Experience adjustments	31 March 2016	31 March 2015	31 March 2014	31 March 2013	31 March 2012
Defined benefit obligation	208.30	170.80	119.34	127.96	94.44
Plan assets	-	-	-	-	-
(Deficit)	(208.30)	(170.80)	(119.34)	(127.96)	(94.44)
Experience adjustment on plan liabilities	11.94	1.16	2.01	(1.19)	14.50
Experience adjustment on plan assets	-	-	-	-	-

26.9 ***Expenditure in foreign currency (on accrual basis)***

Particulars	31 March 2016	31 March 2015
Travelling expenses	4.68	0.81
Business promotion and advertisement expenses	4.90	-
Legal consultancy and professional fees	7.85	-
	17.43	0.81

26.10 The Company has the following investments, in jointly controlled entities

Name of the entity	**Country of Incorporation**	**Percentage of ownership interest as at 31 March 2016**	**Percentage of ownership interest as at 31 March 2015**
KVM Technology Solutions Private Limited	India	33%	33%
SMYR Consortium LLP*	India	25%	-

* Based on unaudited financial statements

The Company's interest in this Jointly Controlled Entities is reported as Non-current investment (refer note 12) and is stated at cost (net of provision for other than temporary diminution in value). The Company's share of each of the assets, liabilities, income, expenses (each without elimination of the effect of transactions between the Company and the Jointly Controlled Entities) related to its interest in this jointly controlled entities, based on the audited financial statements/unaudited financial statements are:

	As at 31 March 2016	As at 31 March 2015
(a) Assets		
Tangible Fixed Assets	54.16	-
Long term loans and advances	171.86	-
Cash and bank balances	89.05	0.33
Short-term loans and advances	62.75	-
Other current assets	1.87	-
(b) Liabilities		
Long-term borrowings	647.81	-
Trade Payables	1.63	-
Other current liabilities	170.08	0.06
(c) Income		
Revenue from operations	10,160.74	-
Other income	18.25	-
(d) Expenses		
Operating and maintenance expenses	10,171.96	-
Employee benefit expenses	271.15	-
Finance costs	20.38	-
Depreciation and amortisation	60.30	-
Other expenses	99.47	0.06
Contingent liabilities	-	-
Capital commitments	-	-

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to standalone financial statements
for year ended 31 March 2016

(Currency : Indian rupees in lakhs)

26.11 *Corporate Social Responsibility (CSR) activities*

The Company has spent Rs. 5.00 lakhs (previous year : Nil) towards various schemes of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013. The details are:

I. Gross amount required to be spent by the Company during the year: Rs. 38.59 lakhs (previous year: Rs. 41.71 lakhs)

II. Amount spent during the year on:

Particulars		In cash/payable	Yet to be paid in Cash	Total
i)	Construction/Acquisition of any asset	-	-	-
		(-)	(-)	(-)
ii)	For purposes other than (i) above	5.00	-	-
		(-)	(-)	(-)

(figures in brackets pertain to previous year)

26.12 The Company has a receivable from a jointly controlled entity aggregating to Rs. 709.27 lakhs as at 31 March 2016. The management is confident of recovering the same and hence no provision has been made for the same.

26.13 *Utilization of proceeds from Initial Public Offer*

During the Financial Year 2015-16, funds were raised pursuant to an Initial Public Offering (IPO) For:
(i) Repayment/Pre-payment in full or part of certain loans availed by the Company's Subsidiary viz. MEP Infrastructure Private Limited (MIPL), and

(ii) General Corporate Purposes.

The amount was utilized fully as on 31 March 2016 as follows:

I)

Particulars	**Rs. (in lakhs)**
Issue Proceeds	32,400.00
Less : Issue Expenses accounted upto 31 March 2016	(1,869.53)
Net Proceeds from IPO	30,530.47

II)

Particulars	**Rs. (in lakhs)**
Amount utilized upto 31 March 2016	
(a) Prepayment/repayment loans availed by subsidiary (MEP Infrastructure Private Limited)	26,233.19
(b) General Corporate Purposes	4,297.28
Total	30,530.47

III)

Particulars	**Rs. (in lakhs)**
Amount unutilized as on 31 March 2016 (in case, if any)	-

GOKHALE & SATHE CHARTERED ACCOUNTANTS MUMBAI FIRM No. 103264W

Chartered Accountants

Notes to standalone financial statements

for year ended 31 March 2016

(Currency: Indian rupees in lakhs)

26.14 Related party disclosures

In accordance with the requirements of Accounting Standard 18 'Related Party Transactions' as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, following are the names of related parties and their relationships, details of the transaction during the year and balances as at the year end :

A. *(i) Names of related parties where control exists*

Name of related party	Nature of relationship
MEP Infrastructure Private Limited	Subsidiary
Raima Ventures Private Limited	Subsidiary
Rideema Toll Private Limited	Subsidiary
MEP Nagzari Toll Road Private Limited	Subsidiary
MEP IRDP Solapur Toll Road Private Limited	Subsidiary
MEP Highway Solutions Private Limited	Subsidiary
Rideema Toll Bridge Private Limited	Subsidiary
Raima Toll Road Private Limited	Subsidiary
MEP Hyderabad Bangalore Toll Road Private Limited	Subsidiary
MEP Chennai Bypass Toll Road Private Limited	Subsidiary
MEP RGSL Toll Bridge Private Limited	Subsidiary
MEP Tormato Private Limited	Subsidiary
Raima Toll and Infrastructure Private Limited	Subsidiary
Baramati Tollways Private Limited (a subsidiary of Rideema Toll Private Limited)	Fellow Subsidiary
MEP Infraprojects Private Limited	Subsidiary
MEP Toll & Infrastructure Private Limited	Subsidiary
MEP Infra Constructions Private Limited	Subsidiary
Mhaiskar Toll Road Private Limited	Subsidiary
MEP Roads & Bridges Private Limited	Subsidiary

(ii) Names of other related parties with whom transactions have taken place during the year

MEP Una Bus Terminal Private Limited	Fellow Subsidiary
MEP Hamirpur Bus Terminal Private Limited	Fellow Subsidiary
A J Tolls Private Limited	Fellow Subsidiary
Ideal Toll & Infrastructure Private Limited	Associate Concern
KVM Technology Solutions Private Limited	Jointly controlled entity
SMYR Consortium LLP	Jointly controlled entity
IEPL Power Trading Company Private Limited Ideal Energy Projects Limited MEP Toll Gates Private Limited VCR Toll Services Private Limited MEP Infracon Private Limited Rideema Enterprises. Jan Transport D S Enterprises	Enterprises over which significant influence is exercised by key managerial personnel
Mr. Jayant.Mhaiskar	Key Management Person - Managing Director & Vice Chairman
Mr. Murzash Manekshana	Key Management Person - Whole time Director

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

Notes to standalone financial statements
for year ended 31 March 2016

(Currency: Indian rupees in lakhs)

26.14 Related party disclosures

B. Disclosures of material transactions with related parties and balances as at 31 March 2016

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
I) Transactions during the year	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015
Remuneration												
Mr. Murzash Manekshana	-	-	-	-	126.37	150.00	-	-	-	-	126.37	150.00
Mr. Jayant Mhaiskar	-	-	-	-	130.00	90.00	-	-	-	-	130.00	90.00
Loans given												
Ridcoms Toll Private Limited	-	-	1,770.30	65.48	-	-	-	-	-	-	1,770.30	65.48
Ridcoms Toll Bridge Private Limited	-	-	414.89	1,876.47	-	-	-	-	-	-	414.89	1,876.47
Raima Toll and Infrastructure Private Limited	-	-	1,283.00	265.00	-	-	-	-	-	-	1,283.00	265.00
MEP Chennai Bypass Toll Road Private Limited	-	-	-	19.89	-	-	-	-	-	-	-	19.89
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	2,115.65	-	-	-	-	-	-	-	2,115.65
Raima Toll Road Private Limited	-	-	1,920.26	2,235.75	-	-	-	-	-	-	1,920.26	2,235.75
Baramati Tollways Private Limited	-	-	889.00	1,460.84	-	-	-	-	-	-	889.00	1,460.84
MEP Highway Solutions Private Limited	-	-	4,530.59	11,565.52	-	-	-	-	-	-	4,530.59	11,565.52
MEP Nagzari Toll Road Private Limited	-	-	292.93	281.33	-	-	-	-	-	-	292.93	281.33
MEP IRDP Solapur Toll Road Private Limited	-	-	3.85	110.00	-	-	-	-	-	-	3.85	110.00
MEP RGSL Toll Bridge Private Limited	-	-	25.00	83.29	-	-	-	-	-	-	25.00	83.29
MEP Roads & Bridges Private Limited	-	-	-	15.65	-	-	-	-	-	-	-	15.65
Ideal Hospitality Private Limited	-	-	-	-	-	-	-	2,000.00	-	-	-	2,000.00
MEP Infra Construction Private Limited	-	-	1.00	-	-	-	-	-	-	-	1.00	-
MEP Infra Projects Private Limited	-	-	1.00	-	-	-	-	-	-	-	1.00	-
MEP Toll & Infrastructure Private Limited	-	-	1.00	-	-	-	-	-	-	-	1.00	-
Mhaiskar Toll Road Private Limited	-	-	1.00	-	-	-	-	-	-	-	1.00	-
MEP Tormato Private Limited	-	-	4,102.89	-	-	-	-	-	-	-	4,102.89	-
Raima Venture Private Limited	-	-	52.00	-	-	-	-	-	-	-	52.00	-
Repayment of loans given												
MEP Infrastructure Private Limited	-	-	-	568.03	-	-	-	-	-	-	-	568.03
Ridcoms Toll Private Limited	-	-	245.50	-	-	-	-	-	-	-	245.50	-
Ridcoms Toll Bridge Private Limited	-	-	1,311.59	1,898.26	-	-	-	-	-	-	1,311.59	1,898.26
Raima Toll and Infrastructure Private Limited	-	-	1,283.00	265.00	-	-	-	-	-	-	1,283.00	265.00
MEP Chennai Bypass Toll Road Private Limited	-	-	501.50	21.25	-	-	-	-	-	-	501.50	21.25
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	464.19	529.51	-	-	-	-	-	-	464.19	529.51
Raima Toll Road Private Limited	-	-	125.26	307.42	-	-	-	-	-	-	125.26	307.42
Baramati Tollways Private Limited	-	-	-	1,227.58	-	-	-	-	-	-	-	1,227.58
MEP Nagzari Toll Road Private Limited	-	-	-	47.97	-	-	-	-	-	-	-	47.97
MEP Highway Solutions Private Limited	-	-	2,354.00	4,361.69	-	-	-	-	-	-	2,354.00	4,361.69
MEP IRDP Solapur Toll Road Private Limited	-	-	110.00	-	-	-	-	-	-	-	110.00	-
MEP RGSL Toll Bridge Private Limited	-	-	108.29	-	-	-	-	-	-	-	108.29	-
MEP Roads & Bridges Private Limited	-	-	-	15.65	-	-	-	-	-	-	-	15.65
Ideal Energy Projects Limited	-	-	-	-	-	-	-	20.00	-	-	-	20.00
Ideal Hospitality Private Limited	-	-	-	-	-	-	-	2,000.00	-	-	-	2,000.00
MEP Hamirpur Bus Terminal Private Limited	-	-	-	-	-	-	0.61	-	-	-	0.61	-
MEP Una Bus Terminal Private Limited	-	-	-	-	-	-	1.92	-	-	-	1.92	-
MEP Tormato Private Limited	-	-	1,300.00	-	-	-	-	-	-	-	1,300.00	-
Raima Ventures Private Limited	-	-	40.00	-	-	-	-	-	-	-	40.00	-

MEP Infrastructure Developers Limited

Notes to standalone financial statements
for year ended 31 March 2016

(Currency: Indian rupees in lakhs)

26.14 Related party disclosures (Continued)

B. Disclosures of material transactions with related parties and balances as at 31 March 2016

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015
Loans taken												
Ideal Toll & Infrastructure Private Limited	-	4,934.13	-	-	-	-	-	-	-	-	-	4,934.13
MEP IRDP Solapur Toll Road Private Limited	-	-	-	8.88	-	-	-	-	-	-	-	8.88
Raima Ventures Private Limited	-	-	-	8.58	-	-	-	-	-	-	-	8.58
MEP Highway Solutions Private Limited	-	-	-	79.65	-	-	-	-	-	-	-	79.65
Mr. Jayant Mhaiskar	-	-	-	-	-	100.00	-	-	-	-	-	100.00
Repayment of loans taken												
Ideal Toll & Infrastructure Private Limited	-	5,340.59	-	-	-	-	-	-	-	-	-	5,340.59
MEP IRDP Solapur Toll Road Private Limited	-	-	-	20.11	-	-	-	-	-	-	-	20.11
Raima Ventures Private Limited	-	-	-	469.89	-	-	-	-	-	-	-	469.89
MEP Highway Solutions Private Limited	-	-	-	79.65	-	-	-	-	-	-	-	79.65
MEP RGSL Toll Bridge Private Limited	-	-	-	2,244.78	-	-	-	-	-	-	-	2,244.78
Mr. Jayant Mhaiskar					74.18	-	-	-	-	-	74.18	-
Advances taken												
MEP Infrastructure Private Limited (Mobilisation Advance)	-	-	8,423.86	13,344.79	-	-	-	-	-	-	8,423.86	13,344.79
Raima Toll and Infrastructure Private Limited (Mobilisation Advance)	-	-	-	1,148.57	-	-	-	-	-	-	-	1,148.57
Adjustment of Advance taken												
MEP Infrastructure Private Limited (Mobilisation Advance)	-	-	995.68	588.78	-	-	-	-	-	-	995.68	588.78
Repayment of advances taken												
MEP Infrastructure Private Limited (Mobilisation Advance)	-	-	3,142.97	-	-	-	-	-	-	-	3,142.97	-
Raima Toll and Infrastructure Private Limited	-	-	-	1,148.57	-	-	-	-	-	-	-	1,148.57
Advances given												
Ideal Toll & Infrastructure Private Limited	283.20	990.49	-	-	-	-	-	-	-	-	283.20	990.49
Repayment of advances given												
Ideal Toll & Infrastructure Private Limited	433.73	1,046.19	-	-	-	-	-	-	-	-	433.73	1,046.19
A J Tolls Private Limited	-	-	-	-	-	-	-	500.00	-	-	-	500.00
Margin money/ Performance security received												
MEP Chennai Bypass Toll Road Private Limited	-	-	-	594.00	-	-	-	-	-	-	-	594.00
MEP Roads & Bridges Private Limited	-	-	-	514.50	-	-	-	-	-	-	-	514.50
MEP RGSL Toll Bridge Private Limited	-	-	63.25	-	-	-	-	-	-	-	63.25	-
Repayment of Margin money/ Performance security received												
MEP Roads & Bridges Private Limited	-	-	407.58	-	-	-	-	-	-	-	407.58	-

MEP Infrastructure Developers Limited

Notes to standalone financial statements
for year ended 31 March 2016

(Currency: Indian rupees in lakhs)

26.14 Related party disclosures (Continued)

B. Disclosures of material transactions with related parties and balances as at 31 March 2016

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015
Share application money received												
Ideal Toll & Infrastructure Private Limited	-	2,500.00	-	-	-	-	-	-	-	-	-	2,500.00
Shares allotted												
Ideal Toll & Infrastructure Private Limited	-	2,500.00	-	-	-	-	-	-	-	-	-	2,500.00
Share application money paid												
MEP Infrastructure Private Limited	-	-	26,228.23	990.00	-	-	-	-	-	-	26,228.23	990.00
Baramati Tollways Private Limited	-	-	-	6.00	-	-	-	-	-	-	-	6.00
Ridcema Toll Bridge Private Limited	-	-	1,000.00	2,000.00	-	-	-	-	-	-	1,000.00	2,000.00
Raima Toll Road Private Limited	-	-	1,416.50	1,000.00	-	-	-	-	-	-	1,416.50	1,000.00
MEP Highway Solutions Private Limited	-	-	164.00	164.00	-	-	-	-	-	-	164.00	164.00
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	2,730.50	500.00	-	-	-	-	-	-	2,730.50	500.00
MEP Chennai Bypass Toll Road Private Limited	-	-	116.00	116.00	-	-	-	-	-	-	116.00	116.00
MEP Tormato Private Limited	-	-	1,300.00	-	-	-	-	-	-	-	1,300.00	-
Share application money paid returned back												
MEP Infrastructure Private Limited	-	-	0.33	990.00	-	-	-	-	-	-	0.33	990.00
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	1,474.00	250.00	-	-	-	-	-	-	1,474.00	250.00
Ridcema Toll Bridge Private Limited	-	-	1,000.00	1,000.00	-	-	-	-	-	-	1,000.00	1,000.00
Raima Toll Road Private Limited	-	-	1,000.00	500.00	-	-	-	-	-	-	1,000.00	500.00
Ideal Hospitality Private Limited	-	-	-	-	-	-	-	2,090.00	-	-	-	2,090.00
Baramati Tollways Private Limited	-	-	6.00	-	-	-	-	-	-	-	6.00	-
MEP Toll Gates Private Limited	-	-	-	-	-	-	0.16	-	-	-	0.16	-
MEP Highway Solutions Private Limited	-	-	164.00	-	-	-	-	-	-	-	164.00	-
MEP Chennai Bypass Toll Road Private Limited	-	-	116.00	-	-	-	-	-	-	-	116.00	-
MEP Tormato Private Limited	-	-	1.00	-	-	-	-	-	-	-	1.00	-
Shares of MEP Infrastructure Private Limited acquired from												
Ideal Toll & Infrastructure Private Limited	-	584.80	-	-	-	-	-	-	-	-	-	584.80
Shares of MEP Hyderabad Bangalore Toll Road Private Limited acquired from												
Ideal Energy Projects Limited	-	-	-	-	-	-	-	0.48	-	-	-	0.48
Shares of Ridcema Toll Private Limited acquired from												
Mr. Jayant Mhaiskar	-	-	-	0.10	-	-	-	-	-	-	-	0.10
Shares of MEP Tormato Private Limited acquired from												
Mr. Jayant Mhaiskar	-	-	-	1.00	-	-	-	-	-	-	-	1.00

MEP Infrastructure Developers Limited

Notes to standalone financial statements
for year ended 31 March 2016

(Currency: Indian rupees in lakhs)

26.14 *Related party disclosures (Continued)*

B. *Disclosures of material transactions with related parties and balances as at 31 March 2016*

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015
Equity contribution made												
Purchase of shares of Raima Toll and Infrastructure Private Limited	-	-	-	699.00	-	-	-	-	-	-	-	699.00
Purchase of shares of Raima Toll Road Private Limited	-	-	916.50	230.00	-	-	-	-	-	-	916.50	230.00
Purchase of shares of MEP Highway Solutions Private Limited	-	-	164.00	440.00	-	-	-	-	-	-	164.00	440.00
Purchase of shares of MEP Infraprojects Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	1.00
Purchase of shares of MEP Infra Cons Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	1.00
Purchase of shares of MEP Infrastructure Private Limited	-	-	26,228.00	10,075.00	-	-	-	-	-	-	26,228.00	10,075.00
Purchase of shares of Rideema Toll Bridge Private Limited	-	-	1,000.00	-	-	-	-	-	-	-	1,000.00	-
Purchase of shares of MEP Roads & Bridges Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	1.00
Purchase of shares of MEP Toll & Infrat Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	1.00
Purchase of shares of Mhaiskar Toll Road Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	1.00
Purchase of shares of KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	-	0.33	-	0.33
Purchase of shares of MEP Tormato Private Limited	-	-	1,299.00	-	-	-	-	-	-	-	1,299.00	-
Purchase of shares of MEP Chennai Bypass Toll Road Private Limited	-	-	116.00	-	-	-	-	-	-	-	116.00	-
Purchase of shares of MEP Hyderabad Bangalore Toll Road Private Limited	-	-	1,506.51	-	-	-	-	-	-	-	1,506.51	-
Sale of investment (Equity contribution)												
Ideal Toll & Infrastructure Private Limited	-	160.46	-	-	-	-	-	-	-	-	-	160.46
Investment in preference shares												
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	2,000.00	-	-	-	-	-	-	-	2,000.00
Investment												
SMYR Consortium LLP	-	-	-	-	-	-	-	-	5.00	-	5.00	-
Expenses incurred on our behalf by												
MEP Infrastructure Private Limited	-	-	123.63	27.45	-	-	-	-	-	-	123.63	27.45
MEP Highway Solutions Private Limited	-	-	-	0.74	-	-	-	-	-	-	-	0.74
MEP Chennai Bypass Toll Road Private Limited	-	-	-	0.27	-	-	-	-	-	-	-	0.27
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	104.09	17.08	-	-	-	-	-	-	104.09	17.08
Raima Toll and Infrastructure Private Limited	-	-	49.13	57.64	-	-	-	-	-	-	49.13	57.64
Baramati Tollways Private Limited	-	-	3.40	-	-	-	-	-	-	-	3.40	-
Ideal Toll & Infrastructure Private Limited	7.83	-	-	-	-	-	-	-	-	-	7.83	-
MEP Roads & Bridges Private Limited	-	-	1.16	-	-	-	-	-	-	-	1.16	-
Raima Toll Road Private Limited	-	-	199.47	-	-	-	-	-	-	-	199.47	-
Raima Ventures Private Limited	-	-	1.65	-	-	-	-	-	-	-	1.65	-
Rideema Toll Bridge Private Limited	-	-	83.17	-	-	-	-	-	-	-	83.17	-

(Currency: Indian rupees in lakhs)

26.14 Related party disclosures (Continued)

B. Disclosures of material transactions with related parties and balances as at 31 March 2016

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015
Expenses incurred on behalf of												
Ideal Toll & Infrastructure Private Limited	1.58	0.34	-	-	-	-	-	-	-	-	1.58	0.34
MEP Infrastructure Private Limited	-	-	0.33	33.94	-	-	-	-	-	-	0.33	33.94
Baramati Tollways Private Limited	-	-	27.44	141.10	-	-	-	-	-	-	27.44	141.10
Raima Ventures Private Limited	-	-	359.38	256.64	-	-	-	-	-	-	359.38	256.64
Rideema Toll Bridge Private Limited	-	-	17.16	178.45	-	-	-	-	-	-	17.16	178.45
MEP Chennai Bypass Toll Road Private Limited	-	-	330.15	256.70	-	-	-	-	-	-	330.15	256.70
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	0.04	509.95	-	-	-	-	-	-	0.04	509.95
MEP IRDP Solapur Toll Road Private Limited	-	-	51.82	93.70	-	-	-	-	-	-	51.82	93.70
Raima Toll Road Private Limited	-	-	0.04	125.42	-	-	-	-	-	-	0.04	125.42
Raima Toll and Infrastructure Private Limited	-	-	678.83	333.94	-	-	-	-	-	-	678.83	333.94
MEP Nagzari Toll Road Private Limited	-	-	-	96.09	-	-	-	-	-	-	-	96.09
MEP Roads & Bridges Private Limited	-	-	47.45	29.05	-	-	-	-	-	-	47.45	29.05
MEP RGSL Toll Bridge Private Limited	-	-	121.59	114.43	-	-	-	-	-	-	121.59	114.43
MEP Highway Solutions Private Limited	-	-	122.17	150.85	-	-	-	-	-	-	122.17	150.85
MEP Tormato Private Limited	-	-	67.26	-	-	-	-	-	-	-	67.26	-
MEP Infracon Private Limited	-	-	-	-	-	-	0.10	-	-	-	0.10	-
VCR Toll Services Private Limited	-	-	-	-	-	-	7.02	11.74	-	-	7.02	11.74
KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	-	5.77	-	5.77
Jai Transport	-	-	-	-	-	-	3.00	6.00	-	-	3.00	6.00
SMYR Consortium LLP	-	-	-	-	-	-	-	-	1,388.75	-	1,388.75	-
Facility fees												
KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	180.00	-	180.00	-
MEP RGSL Toll Bridge Private Limited	-	-	215.00	-	-	-	-	-	-	-	215.00	-
Raima Toll and Infrastructure Private Limited	-	-	250.00	-	-	-	-	-	-	-	250.00	-
Raima Ventures Private Limited	-	-	138.00	-	-	-	-	-	-	-	138.00	-
Interest Income												
Baramati Tollways Private Limited	-	-	58.29	23.56	-	-	-	-	-	-	58.29	23.56
Rideema Toll Bridge Private Limited	-	-	98.83	127.23	-	-	-	-	-	-	98.83	127.23
Rideema Toll Private Limited	-	-	767.37	696.40	-	-	-	-	-	-	767.37	696.40
MEP Infrastructure Private Limited	-	-	-	24.71	-	-	-	-	-	-	-	24.71
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	399.41	366.17	-	-	-	-	-	-	399.41	366.17
MEP Chennai Bypass Toll Road Private Limited	-	-	16.25	63.41	-	-	-	-	-	-	16.25	63.41
MEP Nagzari Toll Road Private Limited	-	-	76.49	32.22	-	-	-	-	-	-	76.49	32.22
MEP IRDP Solapur Toll Road Private Limited	-	-	3.01	2.90	-	-	-	-	-	-	3.01	2.90
MEP Highway Solutions Private Limited	-	-	1,062.99	722.51	-	-	-	-	-	-	1,062.99	722.51
Raima Toll Road Private Limited	-	-	349.63	239.55	-	-	-	-	-	-	349.63	239.55
Raima Toll and Infrastructure Private Limited	-	-	14.92	6.23	-	-	-	-	-	-	14.92	6.23
MEP RGSL Toll Bridge Private Limited	-	-	6.88	-	-	-	-	-	-	-	6.88	-
MEP Tormato Private Limited	-	-	385.39	-	-	-	-	-	-	-	385.39	-
Raima Ventures Private Limited	-	-	2.91	-	-	-	-	-	-	-	2.91	-

MEP Infrastructure Developers Limited

Notes to standalone financial statements
for year ended 31 March 2016

(Currency: Indian rupees in lakhs)

26.14 Related party disclosures (Continued)

B. Disclosures of material transactions with related parties and balances as at 31 March 2016

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015
Interest on loans taken - expenses											-	-
Raima Ventures Private Limited	-	-	-	56.87	-	-	-	-	-	-	-	56.87
MEP RGSL Toll Bridge Private Limited	-	-	-	109.91	-	-	-	-	-	-	-	109.91
Raima Toll and Infrastructure Private Limited	-	-	-	71.59	-	-	-	-	-	-	-	71.59
MEP IRDP Solapur Toll Road Private Limited	-	-	-	0.67	-	-	-	-	-	-	-	0.67
Income from toll collection												
D S Enterprises	-	-	-	-	-	-	-	15,176.78	-	-	-	15,176.78
MEP Roads & Bridges Private Limited	-	-	3,671.75	2,405.93	-	-	-	-	-	-	3,671.75	2,405.93
Road repairing charges received												
MEP Infrastructure Private Limited	-	-	5,363.43	2,666.26	-	-	-	-	-	-	5,363.43	2,666.26
Raima Ventures Private Limited	-	-	-	906.96	-	-	-	-	-	-	-	906.96
Raima Toll and Infrastructure Private Limited	-	-	-	267.31	-	-	-	-	-	-	-	267.31
Guarantees given on behalf of												
Raima Toll and Infrastructure Private Limited	-	-	-	4,808.00	-	-	-	-	-	-	-	4,808.00
MEP Roads & Bridges Private Limited	-	-	-	514.50	-	-	-	-	-	-	-	514.50
MEP Highway Solutions Private Limited	-	-	-	124.00	-	-	-	-	-	-	-	124.00
MEP Tormato Private Limited	-	-	5,000.00	-	-	-	-	-	-	-	5,000.00	-

MEP Infrastructure Developers Limited

Notes to standalone financial statements
for year ended 31 March 2016

(Currency: Indian rupees in lakhs)

26.14 Related party disclosures (Continued)

B. Disclosures of material transactions with related parties and balances as at 31 March 2016

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015
II) Balances at the end of the year												
Loans given												
MEP Hamirpur Bus Terminal Private Limited	-	-	-	-	-	-	-	0.61	-	-	-	0.61
MEP Una Bus Terminal Private Limited	-	-	-	-	-	-	-	1.92	-	-	-	1.92
Raima Toll Road Private Limited	-	-	4,633.52	2,838.52	-	-	-	-	-	-	4,633.52	2,838.52
Ridcema Toll Private Limited	-	-	6,912.48	5,387.68	-	-	-	-	-	-	6,912.48	5,387.68
Ridcema Toll Bridge Private Limited	-	-	73.91	970.60	-	-	-	-	-	-	73.91	970.60
Baramati Tollways Private Limited	-	-	1,123.26	233.26	-	-	-	-	-	-	1,123.26	233.26
MEP Highway Solutions Private Limited	-	-	9,379.61	7,203.82	-	-	-	-	-	-	9,379.61	7,203.82
MEP Chennai Bypass Toll Road Private Limited	-	-	-	501.50	-	-	-	-	-	-	-	501.50
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	2,648.59	3,112.78	-	-	-	-	-	-	2,648.59	3,112.78
MEP IRDP Solapur Toll Road Private Limited	-	-	3.85	110.00	-	-	-	-	-	-	3.85	110.00
MEP RGSL Toll Bridge Private Limited	-	-	-	83.29	-	-	-	-	-	-	-	83.29
MEP Nagzari Toll Road Private Limited	-	-	686.82	393.89	-	-	-	-	-	-	686.82	393.89
Raima Ventures Private Limited	-	-	12.00	-	-	-	-	-	-	-	12.00	-
MEP Infra Construction Private Limited	-	-	1.00	-	-	-	-	-	-	-	1.00	-
MEP Infraprojects Private Limited	-	-	1.00	-	-	-	-	-	-	-	1.00	-
MEP Toll & Infrastructure Private Limited	-	-	1.00	-	-	-	-	-	-	-	1.00	-
MEP Tormato Private Limited	-	-	2,842.89	-	-	-	-	-	-	-	2,842.89	-
Mhaiskar Toll Road Private Limited	-	-	1.00	-	-	-	-	-	-	-	1.00	-
Non-current investment												
MEP Infrastructure Private Limited	-	-	37,934.05	11,706.05	-	-	-	-	-	-	37,934.05	11,706.05
A J Tolls Private Limited	-	-	-	-	-	-	3.30	3.30	-	-	3.30	3.30
Raima Ventures Private Limited	-	-	1,149.89	1,149.89	-	-	-	-	-	-	1,149.89	1,149.89
Ridcema Toll Private Limited	-	-	2,488.50	2,488.50	-	-	-	-	-	-	2,488.50	2,488.50
MEP Hamirpur Bus Terminal Private Limited	-	-	-	-	-	-	-	95.48	-	-	-	95.48
MEP Una Bus Terminal Private Limited	-	-	-	-	-	-	-	64.98	-	-	-	64.98
MEP Chennai Bypass Toll Road Private Limited	-	-	516.00	400.00	-	-	-	-	-	-	516.00	400.00
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	3,587.50	2,000.99	-	-	-	-	-	-	3,587.50	2,000.99
Raima Toll Road Private Limited	-	-	1,846.50	930.00	-	-	-	-	-	-	1,846.50	930.00
Raima Toll and Infrastructure Private Limited	-	-	700.00	700.00	-	-	-	-	-	-	700.00	700.00
MEP Nagzari Toll Road Private Limited	-	-	63.98	63.98	-	-	-	-	-	-	63.98	63.98
MEP IRDP Solapur Toll Road Private Limited	-	-	81.98	81.98	-	-	-	-	-	-	81.98	81.98
Ridcema Toll Bridge Private Limited	-	-	1,267.98	267.98	-	-	-	-	-	-	1,267.98	267.98
MEP Tormato Private Limited	-	-	1,300.00	1.00	-	-	-	-	-	-	1,300.00	1.00
Mep Infraprojects Private Limited	-	-	1.00	1.00	-	-	-	-	-	-	1.00	1.00
MEP Infra Constructions Private Limited	-	-	1.00	1.00	-	-	-	-	-	-	1.00	1.00
Mep Roads & Bridges Private Limited	-	-	1.00	1.00	-	-	-	-	-	-	1.00	1.00
MEP Toll & Infrastructure Private limited	-	-	1.00	1.00	-	-	-	-	-	-	1.00	1.00
Mhaiskar Toll Road Private Limited	-	-	1.00	1.00	-	-	-	-	-	-	1.00	1.00
MEP RGSL Toll Bridge Private Limited	-	-	399.98	399.98	-	-	-	-	-	-	399.98	399.98
MEP Highway Solutions Private Limited	-	-	918.48	754.48	-	-	-	-	-	-	918.48	754.48
SMYR Consortium LLP	-	-	-	-	-	-	-	-	5.00	-	5.00	-
KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	0.33	-	0.33	-

MEP Infrastructure Developers Limited

Notes to standalone financial statements
for year ended 31 March 2016

(Currency: Indian rupees in lakhs)

26.14 *Related party disclosures (Continued)*

B. *Disclosures of material transactions with related parties and balances as at 31 March 2016*

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Advances given												
Ideal Toll & Infrastructure Private Limited	2,463.77	2,694.30	-	-	-	-	-	-	-	-	2,463.77	2,694.30
Advances recoverable in cash or kind												
Jas Transport	-	-	-	-	-	-	3.00	-	-	-	3.00	-
Advance against acquisition of shares												
Ridecon Toll Private Limited	-	-	114.98	114.98	-	-	-	-	-	-	114.98	114.98
Ridecon Toll Bridge Private Limited	-	-	-	1,000.00	-	-	-	-	-	-	-	1,000.00
Raima Toll Road Private Limited	-	-	-	500.00	-	-	-	-	-	-	-	500.00
MEP Toll Gates Private Limited	-	-	-	-	-	-	-	0.16	-	-	-	0.16
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	250.00	-	-	-	-	-	-	-	250.00
MEP Chennai Bypass Toll Road Private Limited	-	-	-	116.00	-	-	-	-	-	-	-	116.00
Baramati Tollways Private Limited	-	-	-	6.00	-	-	-	-	-	-	-	6.00
MEP Highway Solutions Private Limited	-	-	-	164.00	-	-	-	-	-	-	-	164.00
Advances taken												
MEP Infrastructure Private Limited (Mobilisation Advance)	-	-	17,041.22	12,756.00	-	-	-	-	-	-	17,041.22	12,756.00
Guarantees given on behalf of												
Raima Ventures Private Limited	-	-	-	15,000.00	-	-	-	-	-	-	-	15,000.00
Baramati Tollways Private Limited	-	-	5,941.00	5,941.00	-	-	-	-	-	-	5,941.00	5,941.00
MEP Infrastructure Private Limited	-	-	275,857.00	275,857.00	-	-	-	-	-	-	275,857.00	275,857.00
MEP IRDP Solapur Toll Road Private Limited	-	-	-	637.50	-	-	-	-	-	-	-	637.50
MEP Nagzari Toll Road Private Limited	-	-	-	837.50	-	-	-	-	-	-	-	837.50
Raima Toll Road Private Limited	-	-	6,490.00	8,050.00	-	-	-	-	-	-	6,490.00	8,050.00
MEP RGSL Toll Bridge Private Limited	-	-	4,000.00	4,000.00	-	-	-	-	-	-	4,000.00	4,000.00
Raima Toll and Infrastructure Private Limited	-	-	4,808.00	4,808.00	-	-	-	-	-	-	4,808.00	4,808.00
Ridecon Toll Bridge Private Limited	-	-	12,520.00	22,160.00	-	-	-	-	-	-	12,520.00	22,160.00
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	8,360.00	8,360.00	-	-	-	-	-	-	8,360.00	8,360.00
MEP Roads & Bridges Private Limited	-	-	-	514.50	-	-	-	-	-	-	-	514.50
MEP Highway Solutions Private Limited	-	-	124.00	124.00	-	-	-	-	-	-	124.00	124.00
MEP Toronto Private Limited	-	-	5,000.00	-	-	-	-	-	-	-	5,000.00	-
Loans taken from the related parties												
Mr. Jayant Mhaiskar	-	-	-	-	25.82	100.00	-	-	-	-	25.82	100.00
Trade receivables												
MEP Roads & Bridges Private Limited	-	-	-	215.43	-	-	-	-	-	-	-	215.43
Raima Ventures Private Limited	-	-	-	888.82	-	-	-	-	-	-	-	888.82
Raima Toll and Infrastructure Private Limited	-	-	-	261.96	-	-	-	-	-	-	-	261.96
D S Enterprises	-	-	-	-	-	-	-	2,551.53	-	-	-	2,551.53

(Currency: Indian rupees in lakhs)

26.14 Related party disclosures (Continued)

B. Disclosures of material transactions with related parties and balances as at 31 March 2016

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Other receivables												
Ideal Toll & Infrastructure Private Limited	-	160.80	-	-	-	-	-	-	-	-	-	160.80
Baramati Tollways Private Limited	-	-	164.99	140.95	-	-	-	-	-	-	164.99	140.95
Rideema Toll Bridge Private Limited	-	-	-	89.45	-	-	-	-	-	-	-	89.45
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	294.84	399.34	-	-	-	-	-	-	294.84	399.34
MEP Chennai Bypass Toll Road Private Limited	-	-	349.55	142.29	-	-	-	-	-	-	349.55	142.29
MEP Nagzari Toll Road Private Limited	-	-	91.60	92.60	-	-	-	-	-	-	91.60	92.60
Raima Toll Road Private Limited	-	-	-	117.45	-	-	-	-	-	-	-	117.45
Raima Ventures Private Limited	-	-	107.57	185.17	-	-	-	-	-	-	107.57	185.17
Raima Toll and Infrastructure Private Limited	-	-	575.26	113.87	-	-	-	-	-	-	575.26	113.87
MEP RGSL Toll Bridge Private Limited	-	-	272.56	-	-	-	-	-	-	-	272.56	-
MEP IRDP Solapur Toll Road Private Limited	-	-	25.36	90.46	-	-	-	-	-	-	25.36	90.46
MEP Highway Solutions Private Limited	-	-	254.30	132.13	-	-	-	-	-	-	254.30	132.13
VCR Toll Services Private Limited	-	-	-	-	-	-	18.76	11.74	-	-	18.76	11.74
KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	282.50	5.77	282.50	5.77
SMYR Consortium LLP	-	-	-	-	-	-	-	-	709.27	-	709.27	-
MEP Tormato Private Limited	-	-	38.54	-	-	-	-	-	-	-	38.54	-
Interest receivable on loans given												
Baramati Tollways Private Limited	-	-	151.89	96.60	-	-	-	-	-	-	151.89	96.60
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	772.20	376.47	-	-	-	-	-	-	772.20	376.47
MEP Chennai Bypass Toll Road Private Limited	-	-	68.88	52.78	-	-	-	-	-	-	68.88	52.78
MEP Nagzari Toll Road Private Limited	-	-	104.96	31.47	-	-	-	-	-	-	104.96	31.47
MEP IRDP Solapur Toll Road Private Limited	-	-	5.32	2.61	-	-	-	-	-	-	5.32	2.61
Raima Toll Road Private Limited	-	-	321.59	154.88	-	-	-	-	-	-	321.59	154.88
Rideema Toll Private Limited	-	-	1,511.98	821.35	-	-	-	-	-	-	1,511.98	821.35
MEP Highway Solutions Private Limited	-	-	1,602.82	577.17	-	-	-	-	-	-	1,602.82	577.17
MEP Tormato Private Limited	-	-	335.37	-	-	-	-	-	-	-	335.37	-
Raima Ventures Private Limited	-	-	2.62	-	-	-	-	-	-	-	2.62	-
Raima Toll & Infrastructure Private Limited	-	-	13.42	-	-	-	-	-	-	-	13.42	-
MEP RGSL Toll Bridge Private Limited	-	-	6.19	-	-	-	-	-	-	-	6.19	-
Payable towards Margin money/ Performance security												
MEP Chennai Bypass Toll Road Private Limited	-	-	594.00	594.00	-	-	-	-	-	-	594.00	594.00
MEP Roads & Bridges Private Limited	-	-	106.92	514.50	-	-	-	-	-	-	106.92	514.50
MEP RGSL Toll Bridge Private Limited	-	-	63.25	-	-	-	-	-	-	-	63.25	-
Payables towards expenses incurred by group Companies												
Ideal Toll & Infrastructure Private Limited	7.83	-	-	-	-	-	-	-	-	-	7.83	-
Raima Toll Road Private Limited	-	-	81.99	-	-	-	-	-	-	-	81.99	-
MEP Infrastructure Private Limited	-	-	81.66	419.29	-	-	-	-	-	-	81.66	419.29
MEP RGSL Toll Bridge Private Limited	-	-	-	12.20	-	-	-	-	-	-	-	12.20
Rideema Toll Bridge Private Limited	-	-	23.65	-	-	-	-	-	-	-	23.65	-
Remuneration payable												
Mr. Murzash Manekshana	-	-	-	-	5.72	2.76	-	-	-	-	5.72	2.76
Mr. Jayant Mhaiskar	-	-	-	-	5.55	5.73	-	-	-	-	5.55	5.73

Notes to standalone financial statements
for year ended 31 March 2016

(Currency : Indian rupees in lakhs)

26.15 *Domestic transfer pricing*

The Indian Finance Bill, 2012 had sought to bring in certain class of domestic transactions in the ambit of the transfer pricing regulations with effect from 1 April 2012. The Company's management is of the opinion that its domestic transaction are at arm's length so that appropriate legislation will not have an impact on financial statements, particularly on the amount of tax expense and that of provision for taxation. The Company does not have any international transactions with related parties during the year.

26.16 *Prior period expense*

Prior period expense (net) in the Statement of Profit and Loss for the year ended 31 March 2015 comprises charge towards maintenance cost paid to Authority of Rs. 50.88 lakhs, professional fees of Rs. 14.78 lakhs, ESIC of Rs. 1.50 lakhs, membership fees of Rs. 2.97 lakhs and prior period income of Rs. 40.89 lakhs towards reversal of share issue expenses charged in previous year.

26.17 *Other matters*

Information with regards to other matters specified in Schedule III to the Act, is either nil or not applicable to the Company for the period.

26.18 *Previous year comparatives*

Previous year's figures have been reclassified wherever considered necessary to conform to the current year's presentation, details of the same are as follows:

Particulars	Note No	Amount as per previous year financials	Adjustments	Revised amount for previous year
Other Long -term liabilities	5	12,001.18	(594.00)	11,407.18
Other current liabilities	10	8,501.23	594.00	9,095.23
Long- term loans and advances	14	31,025.95	5,387.68	36,413.63
Short- term loans and advances	18	19,217.25	(5,387.68)	13,829.57
Trade Receivables	16	3,943.82	(14.48)	3,929.34
Other Current Assets	19	4,526.28	14.48	4,540.76
Other expenses	25	1,629.02	(240.00)	1,389.02
Employee benefit expenses	23	2,817.75	240.00	3,057.75

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No: 046476

Mumbai
Date: 24 May 2016

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
Date: 24 May 2016

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

Jayant D. Mhaiskar
Managing Director
DIN: 00716351

Anuya J. Mhaiskar
Director
DIN: 00707650

M. Sankaranarayanan
Chief Financial Officer

Shridhar Phadke
Company Secretary

Mumbai
Date: 24 May 2016

Independent Auditor's Report

To the Members of MEP Infrastructure Developers Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of MEP Infrastructure Developers Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

Auditor's Responsibility *(Continued)*

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31 March 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order) issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

Independent Auditor's Report ***(Continued)***

MEP Infrastructure Developers Limited

Report on Other Legal and Regulatory Requirements ***(Continued)***

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26.1 to the 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 **B S R and Co**
Chartered Accountants
Firm's Registration No: 128510W

Vijay Mathur
Partner
Membership No: 046476

Mumbai
4 August 2015

For **Parikh Joshi & Kothare**
Chartered Accountants
Firm's Registration No: 107547W

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
4 August 2015

B S R and Co
1st Floor,
Lodha Excelus,
Apollo Mills Compound,
N.M. Joshi Marg,
Mahalaxmi,
Mumbai-400 011.
India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

Annexure to the Independent Auditors' Report – 31 March 2015 *(Continued)*

(Referred to in our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during this year and no material discrepancies were noticed on such verification.

(ii) The Company is engaged in toll collection business. Accordingly, it does not hold any physical inventory. Thus, paragraph 4(ii) of the Order is not applicable to the Company during the year.

(iii) The Company has granted loans to twelve companies covered in the register maintained under Section 189 of the Act.

(a) In the case of the loans granted to the companies listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. There is no principal amount due for payment during the year.

(b) There is no overdue amount of more than rupees one lakh in respect of loans granted to the companies listed in the register maintained under Section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, except for certain services rendered by the Company which as explained to us are for the specialized requirements of the buyers and for which suitable alternative sources are not available to obtain comparative quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and with regard to the sale of services. The Company does not have any purchase of inventory and sale of goods during the year. We have not observed any major weakness in the internal control system during the course of the audit.

(v) The Company has not accepted any deposits from the public.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii) (a) According to the information and explanations given to us and, on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, wealth tax service tax, value added tax and other material statutory dues have been generally regularly deposited with the appropriate authorities, *except for dues of income tax, in which there have been significant delays in few instances*. According to the information and explanations given to us, the Company does not have any dues on account of customs duty and excise duty.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011 India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

Annexure to the Independent Auditors' Report – 31 March 2015 *(Continued)*

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income-tax, sales-tax, wealth tax, service tax, value added tax and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax and service tax which have not been deposited with the appropriate authorities on account of any disputes except for the following:

Name of the Statute	Nature of the Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax	8,171.18	2007-08 to 2011-12	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)

(c) According to the information and explanation given to us, there are no amounts that are required to be transferred to the investor education and protection fund by the Company.

(viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayments of dues to its bankers or financial institutions *except for principal amount of loan due to banks ranging from Rs. 20.00 lakhs to Rs. 3,749.34 lakhs which is overdue for a period ranging from 1 day to 31 days and for interest on loan due to banks ranging from Rs.6.48 lakhs to Rs. 61.74 lakhs which is overdue for a period ranging from 2 days to 29 days. The amounts as mentioned above have been repaid on various dates during the year and also subsequent to the year end.*

(x) In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are not, prima facie, prejudicial to the interest of the Company.

(xi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were raised.

(xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **B S R and Co**
Chartered Accountants
Firm's Registration No: 128510W

Vijay Mathur
Partner
Membership No: 046476

Mumbai
4 August 2015

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011 India.
Chartered Accountants

For **Parikh Joshi & Kothare**
Chartered Accountants
Firm's Registration No: 107547W

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
4 August 2015

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Balance Sheet
as at 31 March 2015

(Currency: Indian rupees in lakhs)

EQUITY AND LIABILITIES	*Notes*	31 March 2015	31 March 2014
Shareholders' funds			
Share capital	*3*	11,149.43	10,000.00
Reserves and surplus	*4*	14,716.25	11,750.56
		25,865.68	21,750.56
Non-current liabilities			
Long-term borrowings	*5*	16,603.56	2,835.75
Other Long-term liabilities	*6*	12,001.18	-
Long-term provisions	*7*	140.68	96.66
		28,745.42	2,932.41
Current liabilities			
Short-term borrowings	*8*	17,843.85	10,637.81
Trade payables	*9*	5,128.20	2,932.29
Other current liabilities	*10*	8,501.23	9,352.65
Short-term provisions	*7*	32.74	25.47
		31,506.02	22,948.22
TOTAL		86,117.12	47,631.19
ASSETS			
Non-current assets			
Fixed assets			
- Tangible fixed assets	*11*	1,129.29	1,487.75
Non-current investments	*12*	20,963.85	7,087.40
Deferred tax assets (net)	*13*	239.32	99.20
Long-term loans and advances	*14*	31,025.95	16,108.56
Other non-current assets	*15*	1,237.06	389.60
		54,595.47	25,172.51
Current assets			
Trade receivables	*16*	3,943.82	2,251.26
Cash and bank balances	*17*	3,834.30	2,758.46
Short-term loans and advances	*18*	19,217.25	15,828.58
Other current assets	*19*	4,526.28	1,620.38
		31,521.65	22,458.68
TOTAL		86,117.12	47,631.19
Significant accounting policies	*2*		
Notes to the financial statements	*3-26*		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **B S R and Co**
Chartered Accountants
Firm's Registration No: 128510W

Vijay Mathur
Partner
Membership No: 046476

Mumbai
Date : 04 August 2015

For **Parikh Joshi & Kothare**
Chartered Accountants
Firm's Registration No: 107547W

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
Date : 04 August 2015

For and on behalf of the Board of Directors of
MEP Infrastructure Developers Limited
CIN: U45200MH2002PLC136779

Jayant D. Mhaiskar
Managing Director
DIN: 00716351

Anuya J. Mhaiskar
Director
DIN: 00707650

M. Sankaranarayanan
Chief Financial Officer

Shridhar Phadke
Company Secretary

Mumbai
6 Date : 04 August 2015

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Statement of Profit and Loss
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

	Notes	31 March 2015	31 March 2014
Income			
Revenue from operations	*20*	**90,719.94**	48,666.98
Other income	*21*	**2,567.63**	1,271.69
Total revenue		**93,287.57**	49,938.67
Expenses			
Operating and maintenance expenses	*22*	**82,307.46**	43,154.75
Employee benefits	*23*	**2,817.75**	1,785.34
Depreciation	*11*	**622.97**	262.55
Finance costs	*24*	**3,376.13**	2,679.10
Other expenses	*25*	**1,629.02**	1,538.61
Total expenses		**90,753.33**	49,420.35
Profit before tax, before prior period items		**2,534.24**	518.32
Prior period expenses (net)	*26.12*	**29.24**	98.75
Profit before tax		**2,505.00**	419.57
Tax expenses			
Current tax			
- Current year		**1,030.00**	221.79
- Prior period tax		**-**	(16.35)
Deferred tax (credit)	*13*	**(140.12)**	(30.73)
Profit after tax		**1,615.12**	244.86
Earnings per equity share			
- Basic and diluted	*26.5*	**1.47**	0.24
(Nominal value per share Rs 10)			
Significant accounting policies	*2*		
Notes to the financial statements	*3-26*		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **B S R and Co**
Chartered Accountants
Firm's Registration No: 128510W

Vijay Mathur
Partner
Membership No: 046476

Mumbai
Date : 04 August 2015

For **Parikh Joshi & Kothare**
Chartered Accountants
Firm's Registration No: 107547W

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
Date : 04 August 2015

For and on behalf of the Board of Directors of
MEP Infrastructure Developers Limited
CIN: U45200MH2002PLC136779

Jayant D. Mhaiskar
Managing Director
DIN: 00716351

Anuya J. Mhaiskar
Director
DIN: 00707650

M. Sankaranarayanan
Chief Financial Officer

Shridhar Phadke
Company Secretary

Mumbai
Date : 04 August 2015

MEP Infrastructure Developers Limited

(Formerly known as MEP Infrastructure Developers Private Limited)

Cash Flow Statement

for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

		31 March 2015	31 March 2014
Cash flows from operating activities			
Net profit before tax		2,505.00	419.57
Adjustments:			
Depreciation		622.97	262.55
(Profit) / Loss on sale of fixed assets		(16.63)	28.59
Interest income		(2,545.68)	(1,143.17)
Dividend income		(0.69)	(0.19)
Provision for wealth tax		2.61	2.80
Fixed assets written off		-	1.86
Finance cost		3,376.13	2,679.10
Provisions no longer required written back		-	(122.68)
Operating profit before working capital changes		3,943.71	2,128.43
Adjustments for movements in working capital			
(Increase)/ Decrease in loans and advances		(16,947.81)	(2,236.63)
(Increase)/ Decrease in trade receivables		(1,692.56)	286.63
(Increase)/ Decrease in other current assets		(1,496.03)	-
Increase/ (Decrease) in trade payables		2,195.91	1,379.23
Increase/ (Decrease) in provisions		51.47	(11.33)
Increase/ (Decrease) in other long term liabilities		13,350.00	-
Increase/ (Decrease) in other current liabilities		1,569.76	(134.19)
Cash used in operations		974.45	1,412.14
Income taxes paid		(2,452.83)	(339.51)
Net cash (used in) /generated from operating activities	(A)	(1,478.38)	1,072.63
Cash flows from investing activities			
Purchase of tangible fixed assets		(281.52)	(701.78)
Proceeds from sale of fixed assets		33.64	78.61
Investment of fixed deposits		(4,848.21)	(2,653.85)
Loans and advances to subsidiaries and enterprises over which significant influence is exercised by key management personnel		(24,870.86)	(2,713.37)
Repayment of loans and advances by subsidiaries and enterprises over which significant influence is exercised by key management personnel		14,072.35	2,367.00
Redemption / maturity of fixed deposits		1,863.86	2,967.71
Sale of investment in subsidiaries and enterprises over which significant influence is exercised by key management personnel		160.46	300.00
Investment in subsidiaries and enterprises over which significant influence is exercised by key management personnel		(3,176.63)	(2,440.05)
Interest received		1,117.23	419.11
Dividend received		0.69	0.19
Net cash (used in) investing activities	(B)	(15,928.99)	(2,376.43)
Cash flows from financing activities			
Proceeds from issue of shares		2,500.00	-
Proceeds from borrowings		25,392.62	14,968.29
Repayment of borrowings		(7,969.23)	(11,046.35)
Finance cost paid		(3,595.66)	(2,541.67)
Net cash provided by financing activities	(C)	16,327.73	1,380.27
Net (decrease) / increase in cash and cash equivalents	(A+B+C)	(1,079.64)	76.47
Cash and cash equivalents at beginning of the year		1,879.00	1,802.53
Cash and cash equivalents at end of the year (refer note 1 below)		799.36	1,879.00

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N M Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Cash Flow Statement *(Continued)*
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

	31 March 2015	31 March 2014
Notes to the Cash Flow Statement		
1 **Components of cash and cash equivalents**		
Cash on hand	**208.79**	1,247.82
Balance with banks		
- Current accounts	**554.70**	609.33
- Fixed deposits	**35.87**	21.85
	799.36	1,879.00

2 The Cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 ('AS-3') on cash flow statements as specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014

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

For **B S R and Co**
Chartered Accountants
Firm's Registration No: 128510W

Vijay Mathur
Partner
Membership No: 046476
Mumbai
Date : 04 August 2015

For **Parikh Joshi & Kothare**
Chartered Accountants
Firm's Registration No: 107547W

Yatin R. Vyavaharkar
Partner
Membership No: 033915
Mumbai
Date : 04 August 2015

For and on behalf of the Board of Directors of
MEP Infrastructure Developers Limited
CIN: U45200MH2002PLC136779

Jayant D. Mhaiskar
Managing Director
DIN: 00716351

Anuya J. Mhaiskar
Director
DIN: 00707650

M. Sankaranarayanan
Chief Financial Officer

Shridhar Phadke
Company Secretary

Mumbai
Date : 04 August 2015

Notes to financial statements
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

1 Company overview

MEP Infrastructure Developers Limited ('MEPIDL' or 'the Company') (formerly known as MEP Infrastructure Developers Private Limited) was incorporated on 8 August 2002 under Companies Act, 1956 ('the Act'). The Company is into the business of collection of toll as per the contracts entered with various authorities and also in providing road, repair and maintenance service to its subsidiary.

The Company has undertaken following contracts for toll collection:

Rajasthan State Road Development & Construction Corporation Limited, 'RSRDC' at Gazipur & Phulwada.

Maharashtra State Road Development Corporation Limited , 'MSRDC' at Katai & Gove

Road Infrastructure Development Company of Rajasthan Limited, 'RIDCOR' at:

a) Alwar - Bhiwadi
b) Lalsot - Kota
c) Alwar - Sikandara

National Highways Authority of India, 'NHAI' at:

Toll Name	
Athur	Gurau (Semra-Atikabad)
Bankapur	Manoharabad
Beliyad	Paduna
Brijghat	Palsit
Chamari	Panikoli
Chirle - Karanjade	Pudukottai
Dankuni	Surajbari
Dasna	Tendua
Dastan	Tundla

The Company is a subsidiary of Ideal Toll & Infrastructure Private Limited ('the Holding Company'), a company incorporated in India.

Subsequent event

Subsequent to the year end, the Company was listed on the National Stock Exchange and Bombay Stock Exchange on 6 May 2015 pursuant to the Initial Public Offering.

2 Significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules,2014 and other accounting principles generally accepted in India ('Indian GAAP') and relevant provisions of the Companies Act, 2013 ('the Act'), to the extent notified and applicable. The financial statements are presented in Indian rupees in lacs, rounded off to two decimal points.

2.2 Current/non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either Current or Non-current

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

(a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is expected to be realised within twelve months after the Balance Sheet date; or
(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the Balance Sheet date.

All other assets are classified as non-current.

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

(a) it is expected to be settled in, the entity's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is due to be settled within twelve months after the Balance Sheet date; or
(d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date.

All other liabilities are classified as non-current.

Operating cycle

Based on the nature of activity and the time between the acquisition of assets and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

2.3 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011, India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

Notes to financial statements *(Continued)*
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

2 Significant accounting policies *(Continued)*

2.4 *Revenue recognition*

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Toll collection

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

Road repair and maintenance

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

Interest and dividend income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividends are recorded as and when the same is received.

2.5 *Fixed assets*

Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.
Expenditure incurred on acquisition / construction of fixed assets which are not ready for their intended use as at the Balance Sheet date are disclosed under capital work -in -progress.

2.6 *Depreciation*

Depreciation on fixed assets up to 31 March 2014 is provided on written down value method as per the rates prescribed under schedule XIV of the Companies Act, 1956. Pursuant to the notification of Schedule II of the Companies Act,2013 by Ministry of Corporate Affairs effective 01 April 2014, the Management has reassessed the useful lives and accordingly depreciation on fixed assets for the year ended 31 March 2015 is provided on the written down value method, at useful lives prescribed in Schedule II of the Companies Act 2013. As a result of the said change, the depreciation charge for the year is higher by Rs 284.23 lakhs with a corresponding decrease in the written down value of fixed assets and profit before tax for the year. Depreciation on addition/deletion of fixed assets during the year is provided on pro-rata basis from / to the date of addition/deletion. Fixed assets costing up to Rs 5,000 individually are fully depreciated in the year of purchase.

2.7 *Impairment of assets*

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of assets value in use and net selling price. After impairment if any, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Previously recognised impairment loss is increased or reversed on changes in internal /external factors.

2.8 *Borrowing costs*

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

2.9 *Investments*

Long term investments are valued at cost, less provision for other than temporary diminution in value, if any. Current investments are valued at the lower of cost and fair value.

2.10 *Employee benefits*

i) ***Short term employee benefits***

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service.

ii) ***Post employment benefits***

Defined contribution plans

Provident fund

The Company's contribution to defined contribution plans such as Provident Fund, Employee State Insurance and Maharashtra Labour Welfare Fund are recognised in the Statement of Profit and Loss on accrual basis.

Defined benefit plans

Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary, using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.
When the calculation results in a benefit to the Company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

B S R and Co
1st Floor,
Lodha Excelus,
Apollo Mills Compound,
N M Joshi Marg,
Mahalaxmi,
Mumbai-400 011.
India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

2 Significant accounting policies *(Continued)*

2.11 Operating leases

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

2.12 Taxation

Income tax and deferred tax

Income tax expense comprises current income tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year) and reversal of timing differences of earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however; where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum alternate tax (MAT)

Minimum alternate tax (MAT) credit is recognised as an asset only when, and only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period for which the MAT credit can be carried forward or set off against the normal tax liability. MAT credit entitlement is reviewed at each Balance Sheet date and written down to the extent there is no convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.13 Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit/loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the result would be anti dilutive.

2.14 Provisions and contingencies

The Company recognises a provision when there is a present obligation as a result of a past (or obligating) event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for the contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

B S R and Co
1st Floor,
Lodha Excelus,
Apollo Mills Compound,
N.M. Joshi Marg,
Mahalaxmi,
Mumbai-400 011.
India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

Notes to financial statements *(Continued)*
as at 31 March 2015

(Currency: Indian rupees in lakhs)

3 Share capital

	31 March 2015	31 March 2014
Authorised		
200,000,000 (previous year : 150,000,000) equity shares of Rs 10 each	**20,000.00**	15,000.00
Issued, subscribed and paid-up		
111,494,250 (previous year : 100,000,000) equity shares of Rs 10 each fully paid	**11,149.43**	10,000.00
	11,149.43	10,000.00

(a) **Reconciliation of shares outstanding at the beginning and at the end of the year**

	31 March 2015		31 March 2014	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding, beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Shares issued during the year	11,494,250	1,149.43	-	-
Shares outstanding, end of the year	111,494,250	11,149.43	100,000,000	10,000.00

(b) **Rights, preferences and restrictions attached to equity shares**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(c) **Shares held by its holding company**

	31 March 2015		31 March 2014	
Equity shares of Rs 10 each fully paid held by:	No. of shares	Amount	No. of shares	Amount
Ideal Toll & Infrastructure Private Limited (Holding Company)	59,940,407	5,994.04	51,419,300	5,141.93
	59,940,407	5,994.04	51,419,300	5,141.93

(d) **Particulars of shareholders holding more than 5% shares:**

Name of Shareholder	31 March 2015		31 March 2014	
	No. of shares	%	No. of shares	%
Equity shares of Rs 10 each fully paid held by:				
Ideal Toll & Infrastructure Private Limited (Holding Company)	59,940,407	53.76%	51,419,300	51.42%
Dattatray Mhaiskar jointly with Sudha Dattatray Mhaiskar	25,218,780	22.62%	25,218,780	25.22%
Jayant Dattatray Mhaiskar jointly with Anuya Jayant Mhaiskar (Directors)	11,227,920	10.07%	11,227,920	11.23%
Jayant Dattatray Mhaiskar (Vice Chairman & Managing Director)	11,003,300	9.87%	11,003,300	11.00%
	107,390,407	96.32%	98,869,300	98.87%

Pursuant to an Initial Public Offering in May 2015 (refer Note 1), the aggregate shareholding of the above mentioned shareholders has subsequently decreased to 66.06%.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

Notes to financial statements *(Continued)*
as at 31 March 2015

(Currency: Indian rupees in lakhs)

4 Reserves and surplus

	31 March 2015	31 March 2014
Securities premium account		
At the commencement of the year	-	-
Received during the year	1,350.57	-
At the end of the year	1,350.57	-
Surplus in the Statement of Profit and Loss		
At the commencement of the year	11,750.56	11,505.70
Profit for the year	1,615.12	244.86
Net surplus in the Statement of Profit and Loss	13,365.68	11,750.56
	14,716.25	11,750.56

5 Long-term borrowings

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Secured loans				
Term loans				
- from banks	16,340.00	610.00	4,994.34	7,735.42
	16,340.00	610.00	4,994.34	7,735.42
Vehicle loans				
- from banks	246.42	305.42	68.32	78.29
- from financial institutions	17.14	3.00	11.17	10.58
	263.56	308.42	79.49	88.87
Unsecured loans from related parties				
- from subsidiary companies	-	1,917.33	-	800.00
	-	1,917.33	-	800.00
	16,603.56	2,835.75	5,073.83	8,624.29

I) Term loans

A) Term loan includes loan from a bank amounting to Rs 3,749.34 lakhs (previous year : Rs 7,495.42 lakhs) which is secured by way of first charge of hypothecation / assignment / security interest on escrow account of the projects financed and also, by pledge of 500,000 equity shares and negative lien on 250,000 equity shares of IRB Infrastructure Developers Private Limited held by the promoters of the Company.

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited, the holding company and personal guarantee given by Mr. J.D. Mhaiskar & Mr. D.P. Mhaiskar, Directors of the Company. The term loan carries an interest rate calculated on base rate of the bank plus a spread of 300 basis points. The term loan is repayable in two equal installments of Rs 3,750.00 lakhs from 1 March 2014.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

(Currency: Indian rupees in lakhs)

B) Term loan includes loan from a bank amounting to Rs 16,975.00 lakhs (previous year : Rs Nil) which is secured by a first and exclusive charge as under:

a) first exclusive charge on escrow account specifically maintained for maintenance income/receivables from the maintenance contract with MEP Infrastructure Private Limited, a subsidiary;

b) first mortgage and charge on all immovable and movable properties of the Company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties); except as specifically charged;

c) exclusive charge on specific account opened to route the proceeds from the loan and interest thereon extended to the Ideal Toll & Infrastructure Private Limited, the holding company by MEP Infrastructure Private Limited, subsidiary company;

d) pledge of 15 lakhs shares of IRB Infrastructure Developers Limited, held by the promoters of the company;

e) pledge of 49% of the issued, paid up and voting equity share capital of Ideal Toll & Infrastructure Private Limited, the holding company;

f) first charge over the all bank accounts including but not limited to escrow account opened by MEP Highway Solutions Private Limited, subsidiary company;

g) corporate guarantees jointly given by Ideal Toll & Infrastructure Private Limited, the holding Company; and personal guarantee given by Mr. J.D. Mhaiskar , Director of the Company

The term loan carries an interest rate calculated on base rate of the bank plus a spread of 275 basis points. The term loan is repayable in 127 unequal monthly installments commencing from 1 September 2014.

C) Term loan includes a loan from a bank amounting to Rs 610.00 lakhs (previous year : Rs 850.00 lakhs) which is secured by way of assignment / hypothecation of receivables to be generated from the Toll collection account of the projects financed.

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited, the holding company and personal guarantee given by Mr. J.D. Mhaiskar , Director of the Company. The term loan carries an interest rate of 13% p.a. The term loan is repayable in 35 unequal monthly installments commencing after one month from the date of first disbursement.

As at 31 March 2015, the Company has delayed the repayment of principal amounting to Rs. 3,749.34 lakhs which was overdue for a period of 31 days. The delayed amount has been paid subsequently.

II) Vehicle loans

A) Vehicle loans from banks of Rs 314.74 lakhs (previous year : Rs 383.71 lakhs) carry interest rates ranging from 9.89% - 12.38% p.a. The loans are repayable in 36 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

B) Vehicle loans from various financial institutions of Rs 28.31 lakhs (previous year : Rs 13.58 lakhs) carry interest rate ranging from 10.83% - 12.34% p.a. The loans are repayable in 35 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

III) Unsecured loans from related parties

A) Unsecured loan from Raima Ventures Private Limited a subsidiary, of Rs Nil (previous year : 461.32 lakhs) was taken on 31 October 2013 and is repayable in three equal installments at the end of the 8th, 9th and 10th years from the date of disbursement. However repayment can be made prior to repayment schedule and no prepayment penalty will be charged for such repayment. The loan carries an interest rate of 12.5% p.a.

B) Unsecured loan from MEP RGSL Toll Bridge Private Limited a subsidiary, of Rs Nil (previous year : 2,244.78) was taken on 24 March 2014 and is repayable in three equal installments at the end of the 8th, 9th and 10th years from the date of disbursement. However repayment can be made prior to repayment schedule and no prepayment penalty will be charged for such repayment. The loan carries an interest rate of 9.5% p.a.

C) Unsecured loan from MEP IRDP Solapur Toll Road Private Limited, a subsidiary, of Rs Nil (previous year : Rs 11.23 lakhs) was taken on 2 June 2013 and is repayable in three equal installments at the end of the 8th, 9th and 10th years from the date of disbursement. However repayment can be made prior to repayment schedule and no prepayment penalty will be charged for such repayment.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011 India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

(Currency: Indian rupees in lakhs)

6 Other long-term liabilities

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Mobilisation Advance*	11,407.18	-	1,348.82	-
Margin money**	594.00	-	-	-
	12,001.18	-	1,348.82	-

*Mobilisation Advance from MEP Infrastructure Private Limited (subsidiary company) Rs.12,756.00 lakhs (previous year; Rs. Nil) pursuant to a contract for maintenance of structures, flyovers etc at five Mumbai Entry Points.

**Margin money aggregating Rs. 594.00 lakhs (previous year; Rs. Nil) received from MEP Chennai Bypass Toll Road Private Limited (subsidiary company) for the purpose of issuing Bank guarantee to the authority.

7 Provisions

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Provision for employee benefits				
-Gratuity payable (refer note 26.8)	140.68	96.66	30.12	22.67
Provision for wealth tax	-	-	2.62	2.80
	140.68	96.66	32.74	25.47

8 Short-term borrowings

	31 March 2015	31 March 2014
Term loan (secured)		
- from banks	6,028.36	236.75
Loans repayable on demand (secured)		
- from bank	11,715.49	9,994.60
Unsecured loan from related parties	100.00	406.46
	17,843.85	10,637.81

I) **Term loans**

A) Term Loans from bank amounting to Rs Nil (previous year : 236.75 lakhs) is secured as below :
(a) assignment / hypothecation of receivables to be generated from the Toll collection account of the projects financed;
(b) Personal Guarantee given by Mr. J.D. Mhaiskar & Mr. D.P. Mhaiskar, directors of the Company;
(c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);
(d) The term loan carries an interest rate of 2.35% p.a. below the Bank's Prime Lending Rate subject to minumum of 13% p.a.
(e) The loan is repayable in 12 equal monthly installments from the date of first drawdown.

B) Term Loans from bank amounting to Rs 5,000 lakhs (previous year : Rs Nil) is secured as below :
(a) First and pari passu charge on entire fixed/current assets of the Company which are not exclusively charged to other Banks/ Lenders.
(b) First charge / hypothecation / assignment of security interest on Escrow account of the projects financed;
(c) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
(d) Debt Service Reserve Account (DSRA) to be maintained for an amount equivalent to the next 3 months of interest servicing.
(e) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);
(f) Personal Guarantee given by Mr. J.D. Mhaiskar director of the Company;
The term loan carries an interest rate calculated on base rate of the bank plus a spread of 2.30% p.a. The loan is repayable in bullet upon release of Bid/Performance Security by the Authority of the project financed.

C) Term Loans from bank amounting to Rs 1,028.36 lakhs (previous year : Rs Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.
(c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);
(d) Personal Guarantee given by Mr. J.D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on base rate of 13.% p.a. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to financial statements *(Continued)*
as at 31 March 2015

(Currency: Indian rupees in lakhs)

II) Loans repayable on demand

A) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 4,998.27 lakhs (previous year : Rs 5,000.00 lakhs) which is secured as below:
(a) First charge / hypothecation / assignment of security interest on Escrow account;
(b) Personal guarantee given by Mr. J.D. Mhaiskar & Mr. D.P. Mhaiskar, directors of the Company;
(c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);
Loan carries an interest rate calculated on the base rate of the bank plus a spread of 3% p.a.

B) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 6,717.22 lakhs (previous year : Rs 4,994.60 lakhs) which is secured as below:
(a) First charge / hypothecation / assignment of security interest on Escrow account;
(b) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
(c) First charge on receivable of the projects financed.
(d) Personal Guarantee given by Mr. J.D. Mhaiskar, director of the Company;
(e) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);
(f) Loan carries an interest rate calculated on the base rate of the bank plus a spread of 2.50% p.a.

9 Trade payables

	31 March 2015	31 March 2014
Trade payable towards goods purchased and services received		
- dues of micro enterprises and small enterprises (refer note 26.7)	0.56	0.56
- other creditors	5,127.64	2,931.73
	5,128.20	2,932.29

10 Other current liabilities

	31 March 2015	31 March 2014
Current maturities of long-term borrowings (refer note 5)	5,073.83	8,624.29
Current maturities of long-term liabilities (refer note 6)	1,348.82	-
Interest accrued but not due on borrowings	0.09	29.06
Interest accrued and due on borrowings	6.28	196.84
Performance security received from subsidiary	514.50	-
Employee benefits expense payable	295.74	210.77
Statutory dues payable		
- Tax deducted at source	399.24	22.69
- Tax collected at source	290.39	-
- Provident fund	15.39	8.58
- Profession tax	2.83	1.75
- ESIC	7.24	4.40
- VAT	5.30	9.83
- Service tax	2.90	1.05
Other liabilities	538.68	243.39
	8,501.23	9,352.65

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to financial statements *(Continued)*
as at 31 March 2015

(Currency: Indian rupees in lakhs)

11 Fixed assets

As at 31 March 2015

Particulars	Gross block				Depreciation				Net block
	As at 1 April 2014	Additions	Sale / Deletion	As at 31 March 2015	As at 1 April 2014	For the period	Sale / Deletion	As at 31 March 2015	As at 31 March 2015
Tangible assets									
Office premises*	464.50	-	-	464.50	46.52	35.51	-	82.04	382.46
Vehicles	1,060.52	56.66	7.12	1,110.05	411.86	313.67	3.14	722.38	387.67
Computer system	193.35	94.51	6.04	281.83	101.56	121.40	3.54	219.43	62.41
Toll equipments	174.59	111.56	6.95	279.21	51.47	44.18	1.22	94.43	184.78
Office equipments	84.89	12.84	7.89	89.84	17.16	51.68	3.55	65.29	24.54
Furnitures and fixtures	188.11	5.94	0.72	193.34	49.64	56.53	0.26	105.90	87.43
	2,165.96	**281.52**	**28.72**	**2,418.76**	**678.21**	**622.97**	**11.71**	**1,289.47**	**1,129.29**

* Office premise is under mortgage with a bank for a loan taken by Ideal Toll & Infrastructure Private Limited (Holding Company).

As at 31 March 2014

Particulars	Gross block				Depreciation				Net block
	As at 1 April 2013	Additions	Sale / Deletion	As at 31 March 2014	As at 1 April 2013	For the year	Adjustment	As at 31 March 2014	As at 31 March 2014
Tangible assets									
Office premises	464.50	-	-	464.50	24.53	22.00	-	46.52	417.97
Vehicles	579.11	579.53	98.11	1,060.52	316.99	148.38	53.52	411.86	648.66
Computer system	150.01	60.84	17.49	193.35	72.59	36.84	7.87	101.56	91.79
Toll equipments	194.72	38.68	58.81	174.59	42.73	16.27	7.53	51.47	123.12
Office equipments	74.47	16.39	5.98	84.89	10.99	9.18	3.01	17.16	67.73
Furnitures and fixtures	183.24	6.34	1.47	188.11	20.62	29.88	0.87	49.64	138.48
	1,646.05	**701.78**	**181.86**	**2,165.96**	**488.45**	**262.55**	**72.80**	**678.21**	**1,487.75**

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011 India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

Notes to financial statements *(Continued)*
as at 31 March 2015

(Currency: Indian rupees in lakhs)

		31 March 2015	31 March 2014
12	**Non-current investments**		
A)	**Trade investments** *(Valued at cost)*		
I	**In equity shares of subsidiary companies** **Unquoted, fully paid up**		
	111,998,998 (previous year : 83,23,998) equity shares of MEP Infrastructure Private Limited of Rs 10 each.	**11,706.05**	1,046.05
	11,498,850 (previous year : 11,498,850) equity shares of Raima Ventures Private Limited of Rs 10 each.	**1,149.89**	1,149.89
	2,488,500 (previous year : 2,488,400) equity shares of Rideema Toll Private Limited of Rs 100 each.	**2,488.50**	2,488.40
	Nil (previous year : 954,800) equity shares of MEP Hamirpur Bus Terminal Private Limited of Rs 10 each.	**-**	95.48
	Nil (previous year : 649,800) equity shares of MEP Una Bus Terminal Private Limited of Rs. 10 each.	**-**	64.98
	3,999,980 (previous year : 3,999,980) equity shares of MEP Chennai Bypass Toll Road Private Limited of Rs 10 each.	**400.00**	400.00
	9,890 (previous year : 5,100) equity shares of MEP Hyderabad Bangalore Toll Road Private Limited of Rs 10 each.	**0.99**	0.51
	9,299,980 (previous year : 6,999,980) equity shares of Raima Toll Road Private Limited of Rs 10 each.	**930.00**	700.00
	639,800 (previous year : 639,800) equity shares of MEP Nagzari Toll Road Private Limited of Rs 10 each.	**63.98**	63.98
	819,800 (previous year : 819,800) equity shares of MEP IRDP Solapur Toll Road Private Limited of Rs 10 each.	**81.98**	81.98
	2,679,800 (previous year : 2,679,800) equity shares of Rideema Toll Bridge Private Limited of Rs 10 each.	**267.98**	267.98
	7,544,800 (previous year : 3,144,800) equity shares of MEP Highway Solutions Private Limited of Rs 10 each.	**754.48**	314.48
	3,999,800 (previous year : 3,999,800) equity shares of MEP RGSL Toll Bridge Private Limited of Rs 10 each.	**399.98**	399.98
	6,999,990 (previous year : Nil) equity shares of Raima Toll and Infrastructure Private Limited of Rs 10 each.	**700.00**	-
	9,999 (previous year : Nil) equity shares of MEP Tormato Private Limited of Rs 10 each.	**1.00**	-
	9,999 (previous year : Nil) equity shares of MEP Roads & Bridges Private Limited of Rs 10 each	**1.00**	-
	10,000 (previous year : Nil) equity shares of MEP Infra Constructions Private Limited of Rs 10 each	**1.00**	-
	10,000 (previous year : Nil) equity shares of MEP Infraprojects Private Limited of Rs 10 each	**1.00**	-
	10,000 (previous year : Nil) equity shares of MEP Toll & Infrastructure Private Limited of Rs 10 each	**1.00**	-
	10,000 (previous year : Nil) equity shares of Mhaiskar Toll Road Private Limited of Rs 10 each	**1.00**	-
	Enterprises over which significant influence is exercised by key managerial personnel **Unquoted, fully paid up**		
	3,300 (previous year : 3,300) equity shares of A J Tolls Private Limited of Rs 100 each.	**3.30**	3.30
II	**In preference shares of subsidiary companies** **Unquoted, fully paid up**		
	2,00,000,00 (previous year : Nil) 12% Non-Cumulative redeemable preference shares of MEP Hyderabad Bangalore Toll Road Private Limited of Rs 10 each.	**2,000.00**	-
III	**In jointly controlled entity** **Unquoted, fully paid up**		
	3,300 (previous year : Nil) equity shares of KVM Technology Solutions Private Limited of Rs 10 each. (representing 33% share)	**0.33**	-

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

C) Other investments		
(Valued at cost)		
Unquoted, fully paid up		
4,000 (previous year : 4,000) equity shares of Jankalyan Sahakari Bank Limited of Rs 10 each.	0.40	0.40
20,000 (previous year : 20,000) equity shares of The Kalyan Janata Sahakari Bank Limited of Rs 25 each.	5.00	5.00
9,980 (previous year : 9,980) equity shares of Thane Janata Sahakari Bank Limited of Rs 50 each.	4.99	4.99
	20,963.85	7,087.40

13 Deferred tax assets

	31 March 2015	31 March 2014
Deferred tax assets		
Excess of depreciation on fixed assets provided in accounts over depreciation / amortisation under income tax law	159.74	58.64
Provision for employee benefits	79.58	40.56
	239.32	99.20

14 Long-term loans and advances
(Unsecured, considered good)

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
To related parties:				
Loans and advances [refer note 14(a)]	8,134.40	1,005.38	-	-
Advance consideration for acquisition of equity shares [refer note 14(b)]	2,151.14	11,065.42	-	-
Capital advances [refer note 14(c)]	2,694.30	2,750.00	-	-
To parties other than related parties:				
Loans to employees	16.87	-	9.57	33.69
Advance income tax and fringe benefit tax (net of provisions of Rs 9,264.21; previous year Rs 8,234.21 lakhs)	2,385.60	965.56	-	-
Balance due from government authorities	-	-	-	-
Mobilisation advance	15,366.03	-	971.61	-
Capital advances	-	-	-	-
Prepaid expenses	221.24	266.21	130.77	179.59
Performance security	-	-	4,980.02	4,058.35
Other security deposits	56.37	55.99	1.93	1.36
	31,025.95	16,108.56	6,093.90	4,272.99

	31 March 2015	31 March 2014
(a) Loans and advances to related parties		
I Subsidiary companies		
- MEP Chennai Bypass Toll Road Private Limited (Maximum outstanding during the year Rs 617.50 lakhs; previous year Rs 1,015.11 lakhs)	501.50	502.85
- Baramati Tollways Private Limited (Maximum outstanding during the year Rs 233.26 lakhs; previous year Rs Nil)	233.26	-
- MEP Highway Solutions Private Limited (Maximum outstanding during the year Rs 10,917.91 lakhs; previous year Rs Nil)	7,203.82	-
- MEP IRDP Solapur Toll Road Private Limited (Maximum outstanding during the year Rs 110.00 lakhs; previous year Rs Nil)	110.00	-
- MEP RGSL Toll Bridge Private Limited (Maximum outstanding during the year Rs 83.29 lakhs; previous year Rs Nil)	83.29	-

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

(Currency: Indian rupees in lakhs)

II Fellow subsidiary companies		
- MEP Hamirpur Bus Terminal Private Limited (Maximum outstanding during the year Rs 0.61 lakhs; previous year Rs 0.61 lakhs)	**0.61**	0.61
- MEP Una Bus Terminal Private Limited (Maximum outstanding during the year Rs 1.92 lakhs; previous year Rs 1.92 lakhs)	**1.92**	1.92
III Enterprises over which significant influence is exercised by key managerial personnel		
- A J Tolls Private Limited (Maximum outstanding during the year Rs 500.00 lakhs; previous year Rs 500.00 lakhs)	**-**	500.00
	8,134.40	1,005.38

14 Long-term loans and advances *(Continued)*

(b) Advance against acquisition of the equity shares		
I Subsidiary companies		
MEP Infrastructure Private Limited	**-**	10,075.00
MEP Highway Solutions Private Limited	**-**	200.00
MEP Hyderbad Bangalore Toll Road Private Limited	**250.00**	-
Rideema Toll Bridge Private Limited	**1,000.00**	-
MEP Highway Solutions Private Limited	**164.00**	-
Raima Toll Road Private Limited	**500.00**	-
Baramati Tollways Private Limited	**6.00**	-
Chennai Bypass Toll Road Private Limited	**116.00**	-
II Enterprises over which significant influence exercised by key management personnel		
MEP Toll Gates Private Limited	**0.16**	0.16
Ideal Hospitality Private Limited	**-**	90.00
Ideal Energy Projects Limited	**-**	0.48
	2,036.16	10,365.64
III Advance to Ideal Toll & Infrastructure Private Limited (Holding Company) for acquisition of its equity holding in MEP Infrastructure Private Limited (Subsidiary Company)	**-**	584.80
IV Advance to Rideema Toll Private Limited (Subsidiary Company) for acquisition of its equity holding in Baramati Toll Private Limited (Subsidiary Company)	**114.98**	114.98
	2,151.14	11,065.42
(c) Capital advances to related parties		
Ideal Toll & Infrastructure Private Limited (Maximum outstanding during the year Rs 2,750.00 lakhs; previous year Rs 2,750.00 lakhs)	**2,694.30**	2,750.00
	2,694.30	2,750.00

15 Other non-current assets

	31 March 2015	31 March 2014
Fixed deposits with banks with maturity period more than twelve months from reporting date (refer note 17)	**1,207.76**	378.88
Interest accrued on fixed deposits	**29.30**	10.72
	1,237.06	389.60

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

(Currency: Indian rupees in lakhs)

16 Trade receivables

(Unsecured, considered good)

	31 March 2015	31 March 2014
Receivable outstanding for a period exceeding six months from the date they became due for payment	**8.60**	-
Other receivables	**3,935.22**	2,251.27
	3,943.82	2,251.27

* Trade receivables of Rs 3,917.74 lakhs (previous year : Rs 2,241.76 lakhs) are due from related parties as below

Enterprises over which significant influence is exercised by key managerial personnel

- D S Enterprises	**2,551.53**	2,241.76
- MEP Roads & Bridges Private Limited	**215.43**	-
- Raima Ventures Private Limited	**888.82**	-
- Raima Toll & Infrastructure Private Limited	**261.96**	-
	3,917.74	2,241.76

17 Cash and bank balances

	31 March 2015	31 March 2014
Cash and cash equivalents		
Balances with banks		
- in current accounts	**554.70**	609.33
- in fixed deposits (refer note below)	**35.87**	21.85
Cash on hand	**208.79**	1,247.82
	799.36	1,879.00
Other bank balances*	**3,034.94**	879.46
	3,834.30	2,758.46

Details of bank balances/deposits

Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	**590.57**	631.18
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances*	**3,034.94**	879.46
Bank deposits due to mature after 12 months of the reporting date included under 'Other non current assets* (refer note 15)	**1,207.76**	378.88
	4,833.27	1,889.52

Notes

*Other bank balances includes fixed deposits with Banks of Rs 1703.61 lakhs (previous year : Rs Nil) which are provided as a lien for maintenance of Debt Service Reserve Account. Bank deposits of Rs. 375.00 lakhs (previous year : Rs 250.00 lakhs) with a bank is provided as cash margin for bank overdraft. Bank deposits of Rs. 2,199.96 lakhs (previous year : Rs 1,030.19 lakhs) with various banks are provided as a lien for bank guarantee given to authorities.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

(Currency: Indian rupees in lakhs)

18 Short-term loans and advances

(Unsecured, considered good)	31 March 2015	31 March 2014
To related parties		
(Unsecured, considered good)		
Advance consideration for acquisition of shares [refer note 18 (a)]	-	2,000.00
Other Loans [refer note 18 (b)]	12,703.47	9,499.98
To parties other than related parties		
Current portion of long term loans and advances [refer note 14]	6,093.90	4,272.99
Advances recoverable in cash or kind	35.61	35.70
Advances to suppliers	27.83	1.70
Advances for authority payment	222.44	18.21
Bid security / earnest money deposit	134.00	-
	19,217.25	15,828.58

(a) Advance consideration for acquisition of shares

Enterprises over which significant influence is exercised by key managerial personnel		
Ideal Hospitality Private Limited	-	2,000.00
	-	2,000.00

(b) Other Loans

- MEP Infrastructure Private Limited (Maximum outstanding during the year Rs 568.03 lakhs; previous year Rs 760.10 lakhs)	-	568.03
- Rideema Toll Bridge Private Limited (Maximum outstanding during the year Rs 1,856.41 lakhs; previous year Rs 5,723.49 lakhs)	970.60	992.39
- Ideal Energy Projects Limited (Maximum outstanding during the year Rs 20.00 lakhs; previous year Rs 20.00 lakhs)	-	20.00
- Rideema Toll Private Limited (Maximum outstanding during the year Rs 5,387.68 lakhs; previous year Rs 5,384.99 lakhs)	5,387.68	5,322.20
- Raima Toll Road Private Limited (Maximum outstanding during the year Rs 2,937.73 lakhs; previous year Rs 1,571.23 lakhs)	2,838.52	910.18
- MEP Hyderabad Bangalore Toll Road Private Limited (Maximum outstanding during the year Rs 3,116.22 lakhs; previous year Rs 1,789.45 lakhs)	3,112.78	1,526.64
- MEP Nagzari Toll Road Private Limited (Maximum outstanding during the year Rs 393.89 lakhs; previous year Rs 160.53 lakhs)	393.89	160.53
	12,703.47	9,499.98

19 Other current assets

	31 March 2015	31 March 2014
Interest receivable		
- accrued on fixed deposits	112.48	43.90
- accrued on loans to related parties	2,113.31	772.03
Other receivables from related parties	1,682.01	804.45
Other receivables from other than related parties	17.51	-
Share issue expenses	600.97	-
	4,526.28	1,620.38

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to financial statements *(Continued)*
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

20 Revenue from operations

	31 March 2015	31 March 2014
Toll collection	**86,879.41**	48,325.48
Other operating revenue		
- Road repair and maintenance	**3,840.53**	244.10
	90,719.94	48,666.98

21 Other income

	31 March 2015	31 March 2014
Interest income		
- from fixed deposits	**240.46**	130.09
- from loans to related parties	**2,304.91**	912.11
- from loans to parties other than related parties	**0.31**	0.43
- from refund of income tax	**-**	100.54
Dividend income	**0.69**	0.19
Provisions no longer required written back	**-**	122.68
Profit on sale of fixed assets	**16.63**	-
Miscellaneous income	**4.63**	5.65
	2,567.63	1,271.69

22 Operating and maintenance expenses

	31 March 2015	31 March 2014
Concession fees to authority	**80,042.33**	41,980.52
Road repairing and maintenance expenses	**1,267.55**	222.41
Maintenance cost paid to authority	**150.00**	25.55
Toll attendant expenses	**335.16**	412.83
Other site operational expenses	**512.42**	513.44
	82,307.46	43,154.75

23 Employee benefits

	31 March 2015	31 March 2014
Salaries, wages and bonus	**2,267.06**	1,395.98
Contribution to provident funds and other funds (refer note 26.8)	**176.54**	110.66
Gratuity expenses (refer note 26.8)	**57.95**	30.90
Staff welfare expenses	**316.20**	247.80
	2,817.75	1,785.34

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

Notes to financial statements *(Continued)*
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

24 Finance costs

	31 March 2015	31 March 2014
Interest expenses		
- from banks	2,957.64	2,429.97
- from financials institutions	1.55	24.24
- from related parties	-	32.29
Other borrowing cost		
- Processing fees	297.87	66.96
- Bank guarantee and commission	119.07	111.21
- Others	-	14.43
	3,376.13	2,679.10

25 Other expenses

	31 March 2015	31 March 2014
Rent	11.66	10.14
Rates and taxes	133.38	45.59
Directors remuneration	240.00	240.00
Insurance	24.94	22.77
Legal consultancy and professional fees	244.41	148.11
Travelling expenses	338.85	313.32
Business promotion and advertisement expenses	44.57	39.47
Repairs and maintenance		
- to toll equipments	71.51	50.27
- to computers	21.67	20.82
- others	70.37	34.62
Auditors remuneration (refer note 26.4)	30.27	31.86
Wealth Tax	2.61	2.80
Miscellaneous expenses	394.78	578.84
	1,629.02	1,538.61

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

Notes to financial statements *(Continued)*
for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

26.1 ***Contingent liabilities / other commitments***

Particulars	31 March 2015	31 March 2014
Interest on late payments to Maharashtra State Road Development Corporation Limited	-	68.04
Claims made against the Company not acknowledged as debts	8,171.18	8,171.18
Bank guarantees	22,086.18	16,494.34
Corporate guarantees given on behalf of the subsidiaries	346,289.50	354,203.00
	376,546.86	378,936.56

26.2 ***Capital commitments***

Particulars	31 March 2015	31 March 2014
Estimated amount of contracts remaining to be executed on capital account (net of advance)	0.61	44.53

26.3 ***Operating lease***

The Company has entered into non - cancellable operating lease agreement for premises, which expires over the next two years. Rent expenses debited to the Statement of Profit and Loss is Rs 7.07 lakhs (previous year : 7.61 lakhs) in respect of non-cancellable lease agreement. Total rent expenses is Rs 11.66 lakhs (previous year : Rs. 10.14 lakhs) (refer note 25). The future minimum lease payments in respect of these properties as on 31 March 2015 is as below:

	31 March 2015	31 March 2014
Not later than one year	8.33	8.30
Later than one year but not later than five years	1.39	4.85
Later than five years	-	-
Total	9.72	13.15

26.4 ***Auditor's remuneration***

Particulars	31 March 2015	31 March 2014
Audit fees	29.54	31.66
Out of pocket expenses	0.73	0.20
Total	30.27	31.86

26.5 ***Earnings per share (EPS)***

		31 March 2015	31 March 2014
Profit after tax attributable to equity shareholders	A	1,615.12	244.86
Number of equity shares at the beginning of the year		100,000,000	100,000,000
Number of equity shares outstanding at the end of the year		111,494,250	100,000,000
Weighted average number of equity shares outstanding during the year	B	109,699,258	100,000,000
Basic earnings per equity share	(A / B)	1.47	0.24
Diluted earnings per share			
Profit after tax attributable to equity shareholders	A	1,615.12	244.86
Weighted average number of equity shares outstanding during the year for the calculation of diluted earnings per share	B	109,699,258	100,000,000
Diluted earnings per equity share (Rs)	(A / B)	1.47	0.24
Face value per equity share (Rs)		10	10

26.6 ***Segment reporting***

The segment information has been disclosed in the consolidated financial statements of the Company in accordance with paragraph 4 of AS 17 'Segment reporting' as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

Parikh Joshi & Kothare
MUMBAI
Chartered Accountants

Notes to financial statements ***(Continued)***
for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

26.7 ***Due to micro and small suppliers***

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the Management, outstanding dues to the Micro, Small and Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as set out in following disclosure:

	31 March 2015	'31 March 2014
Principal amount remaining unpaid to any supplier as at the year end	0.56	0.56
Interest due thereon		-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

26.8 ***Employee benefits***

The disclosures as required as per the revised Accounting Standard 15 are as under:

I) Defined contribution plan

i) Contribution to Provident Fund
ii) Contribution to Employees State Insurance Corporation
iii) Contribution to Maharashtra Labour Welfare Fund

The Company has recognised the following amounts in the Statement of Profit and Loss for the year*

	31 March 2015	31 March 2014
- Employer's Contribution to Provident Fund	107.31	63.48
- Employer's Contribution to Employees State Insurance Corporation	68.43	46.33
- Maharashtra Labour Welfare Fund	0.80	0.85
	176.54	110.66

*Included in Contribution to provident fund and other funds (refer note 23 - Employee benefits)

II) Defined Benefit plan

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement 15 days salary (last drawn salary) for each completed year of service. The company during the period provided Rs 57.95 lakhs (Previous year : Rs.30.90 lakhs) towards gratuity in the Statement of Profit and Loss.

In accordance with the Accounting Standard 15 (Revised 2005), actuarial valuation has been done in respect of defined benefit plan of gratuity based on the following assumptions:

	31 March 2015	31 March 2014
Discount rate	7.95%	9.30%
Salary escalation rate	6.00%	6.00%
Expected average remaining lives of the employees	8.68	7.57

(i) Change in present value of obligation

	31 March 2015	31 March 2014
Present value of obligations as at 1 April 2014	119.34	127.96
Interest cost	12.29	10.11
Current service cost	24.16	23.56
Benefits paid	(6.48)	(7.40)
Liabilities assumed on acquisition / (settled on divestiture)	-	(32.12)
Actuarial (profit)/losses	21.49	(2.77)
Present value of obligations as at 31 March 2015	170.80	119.34

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

(Currency : Indian rupees in lakhs)

26.8 ***Employee Benefits (Continued)***

II) Defined benefit plan ***(Continued)***
(ii) Amount recognised in the Balance Sheet

	31 March 2015	31 March 2014
Present value of obligations as at 31 March 2015	170.80	119.34
Present value of plan assets as at 31 March 2015	-	-
Net liability recognised as on 31 March 2015	170.80	119.34

Classification into Current / Non-Current
The liability in respect of the plan comprises of the following non current and current portion:

	31 March 2015	31 March 2014
Current	30.12	22.68
Non current	140.68	96.66
	170.80	119.34

II) Defined benefit plan ***(Continued)***
(iii) Expenses recognised in the Statement of Profit and Loss

	31 March 2015	31 March 2014
Current service cost	24.16	23.56
Interest cost on benefit obligation	12.29	10.11
Net actuarial (profit)/loss recognised in the current year	21.49	(2.77)
Expense recognised in the Statement of Profit and Loss (refer note 23)	57.95	30.90

The Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The Company's liability on account of gratuity is not funded and hence the disclosures relating to the planned assets are not applicable.

Experience adjustments	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
Defined benefit obligation	170.80	119.34	127.96	94.44	61.81
Plan assets	-	-	-	-	-
(Deficit)	(170.80)	(119.34)	(127.96)	(94.44)	(61.81)
Experience adjustment on plan liabilities	1.16	2.01	(1.19)	14.50	30.82
Experience adjustment on plan assets	-	-	-	-	-

26.9 ***Expenditure in foreign currency (on accrual basis)***

Particulars	31 March 2015	31 March 2014
Travelling expenses	0.81	-
	0.81	-

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

Notes to financial statements *(Continued)*
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

26.10 *Related party disclosures*

In accordance with the requirements of Accounting Standard 18 'Related Party Transactions' as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, following are the names of related parties and their relationships, details of the transaction during the year and balances as at the year end :

A. ***Name of related parties and the nature of relationship***

Name of related party	Nature of relationship
Ideal Toll & Infrastructure Private Limited	Holding Company
MEP Infrastructure Private Limited	Subsidiary
Raima Ventures Private Limited	Subsidiary
Rideema Toll Private Limited	Subsidiary
MEP Nagzari Toll Road Private Limited	Subsidiary
MEP IRDP Solapur Toll Road Private Limited	Subsidiary
MEP Highway Solutions Private Limited	Subsidiary
Rideema Toll Bridge Private Limited	Subsidiary
Raima Toll Road Private Limited	Subsidiary
MEP Hyderabad Bangalore Toll Road Private Limited	Subsidiary
MEP Chennai Bypass Toll Road Private Limited	Subsidiary
MEP RGSL Toll Bridge Private Limited	Subsidiary
MEP Tormato Private Limited	Subsidiary
Raima Toll and Infrastructure Private Limited	Subsidiary
Baramati Tollways Private Limited	Subsidiary
MEP Infraprojects Private Limited	Subsidiary
MEP Toll & Infrastructure Private Limited	Subsidiary
MEP Infra Constructions Private Limited	Subsidiary
Mhaiskar Toll Road Private Limited	Subsidiary
MEP Roads & Bridges Private Limited	Subsidiary
MEP Una Bus Terminal Private Limited	Fellow Subsidiary
MEP Hamirpur Bus Terminal Private Limited	Fellow Subsidiary
A J Tolls Private Limited	Fellow Subsidiary
Maask Entertainment Private Limited	
IEPL Power Trading Company Private Limited	
Ideal Energy Projects Limited	
MEP Toll Gates Private Limited	
VCR Toll Services Private Limited	
Ideal Infoware Private Limited	
Global Safety Visions Private Limited	
MEP Infracon Private Limited	
Raima Roads & Bridges Private Limited	
Raima Infra Solutions Private Limited	
Mhaiskar Landmarks Private Limited	
Ideal Hospitality Private Limited	
Ideal Brands Private Limited	
IRB Infrastructure Developers Limited	
Ideal Road Builders Private Limited.	
Thane Ghodbunder Toll Road Private Limited	
IRB Infrastructure Private Limited	Enterprises over which significant influence is exercised by key managerial personnel
MMK Toll Road Private Limited	
NKT Road & Toll Private Limited	
Mhaiskar Infrastructure Private Limited.	
Altamount Capital Management Private Limited	
Sagaon Energy Equipment Private Limited	
Chitpavan Foundation	
Anuya Enterprises	
A J Enterprises	
Sudha Productions	
JRR Udyog	
Rideema Enterprises.	
JAAR Infrastructure LLP	
D.P. Mhaiskar Foundation	
Jan Transport	
D S Enterprises	
Mr. Jayant.Mhaiskar	Key Management Person
Mrs. Anuya Mhaiskar	Key Management Person
Mr. Dattatray Mhaiskar	Key Management Person
Mr. Murzash Manekshana	Key Management Person

Notes to financial statements *(Continued)*
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

26.10 Related party disclosures

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

	Holding Company		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
I) Transactions during the year										
Key Managerial remuneration										
Mr. Murzash Manekshana	-	-	-	-	150.00	240.00	-	-	150.00	240.00
Mr Jayant Mhaiskar	-	-	-	-	90.00	-	-	-	90.00	-
Loans given										
MEP Infrastructure Private Limited	-	-	-	1,091.00	-	-	-	-	-	1,091.00
Rideema Toll Private Limited	-	-	65.48	6,171.14	-	-	-	-	65.48	6,171.14
Rideema Toll Bridge Private Limited	-	-	1,876.47	7,212.48	-	-	-	-	1,876.47	7,212.48
Raima Toll and Infrastructure Private Limited	-	-	265.00	-	-	-	-	-	265.00	-
MEP Chennai Bypass Toll Road Private Limited	-	-	19.89	542.11	-	-	-	-	19.89	542.11
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	2,115.65	2,176.75	-	-	-	-	2,115.65	2,176.75
Raima Toll Road Private Limited	-	-	2,235.75	1,603.09	-	-	-	-	2,235.75	1,603.09
Baramati Tollways Private Limited	-	-	1,460.84	421.40	-	-	-	-	1,460.84	421.40
MEP Highway Solutions Private Limited	-	-	11,565.52	356.10	-	-	-	-	11,565.52	356.10
A J Tolls Private Limited	-	-		-	-	-	-	28.44	-	28.44
MEP Nagzari Toll Road Private Limited	-	-	281.33	161.97	-	-	-	-	281.33	161.97
MEP IRDP Solapur Toll Road Private Limited	-	-	110.00	33.04	-	-	-	-	110.00	33.04
MEP RGSL Toll Bridge Private Limited	-	-	83.29	94.97	-	-	-	-	83.29	94.97
MEP Roads & Bridges Private Limited	-	-	15.65	-	-	-	-	-	15.65	-
MEP Hamirpur Bus Terminal Private Limited	-	-	-	0.61	-	-	-	-	-	0.61
MEP Una Bus Terminal Private Limited	-	-	-	1.92	-	-	-	-	-	1.92
Ideal Hospitality Private Limited	-	-	-	-	-	-	2,000.00	-	2,000.00	-
Jan Transport	-	-	-	-	-	-	-	250.94	-	250.94
Repayment of loans given										
MEP Infrastructure Private Limited	-	-	568.03	522.97	-	-	-	-	568.03	522.97
Rideema Toll Private Limited	-	-	-	1,048.94	-	-	-	-	-	1,048.94
Rideema Toll Bridge Private Limited	-	-	1,898.26	6,220.08	-	-	-	-	1,898.26	6,220.08
Raima Toll and Infrastructure Private Limited	-	-	265.00	-	-	-	-	-	265.00	-
MEP Chennai Bypass Toll Road Private Limited	-	-	21.25	917.08	-	-	-	-	21.25	917.08
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	529.51	652.44	-	-	-	-	529.51	652.44
Raima Toll Road Private Limited	-	-	307.42	692.90	-	-	-	-	307.42	692.90
Baramati Tollways Private Limited	-	-	1,227.58	1,249.36	-	-	-	-	1,227.58	1,249.36
MEP Nagzari Toll Road Private Limited	-	-	47.97	1.44	-	-	-	-	47.97	1.44
MEP Highway Solutions Private Limited	-	-	4,361.69	356.10	-	-	-	-	4,361.69	356.10
MEP RGSL Toll Bridge Private Limited	-	-	-	94.97	-	-	-	-	-	94.97
MEP Roads & Bridges Private Limited	-	-	15.65	-	-	-	-	-	15.65	-
MEP IRDP Solapur Toll Road Private Limited	-	-	-	37.39	-	-	-	-	-	37.39
A J Tolls Private Limited	-	-	-	-	-	-	-	458.33	-	458.33
Ideal Energy Projects Limited	-	-	-	-	-	-	20.00	6.27	20.00	6.27
Rideema Enterprises	-	-	-	-	-	-	-	119.13	-	119.13
Ideal Hospitality Private Limited	-	-	-	-	-	-	2,000.00	-	2,000.00	-
Jan Transport	-	-	-	-	-	-	-	250.94	-	250.94

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi Mumbai-400 011 India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

Notes to financial statements *(Continued)*
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

26.10 Related party disclosures (Continued)

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

	Holding Company		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Loan taken										
Ideal Toll & Infrastructure Private Limited	4,934.13	12,559.48	-	-	-	-	-	-	4,934.13	12,559.48
MEP Infrastructure Private Limited	-	-	-	3,970.94	-	-	-	-	-	3,970.94
MEP IRDP Solapur Toll Road Private Limited	-	-	8.88	54.87	-	-	-	-	8.88	54.87
IEPL Power Trading Company Private Limited	-	-	-	-	-	-	-	309.39	-	309.39
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	953.40	-	-	-	-	-	953.40
Raima Ventures Private Limited	-	-	8.58	619.96	-	-	-	-	8.58	619.96
MEP Highway Solutions Private Limited	-	-	79.65	-	-	-	-	-	79.65	-
MEP RGSL Toll Bridge Private Limited	-	-	-	2,255.36	-	-	-	-	-	2,255.36
Mrs. Anuya Mhaiskar	-		-	-	-	5.69	-	-	-	5.69
Mr. Jayant Mhaiskar	-		-	-	100.00	6,250.90	-	-	100.00	6,250.90
Repayment of loans taken										
Ideal Toll & Infrastructure Private Limited	5,340.59	12,372.02	-	-	-	-	-	-	5,340.59	12,372.02
MEP Infrastructure Private Limited	-	-	-	3,970.94	-	-	-	-	-	3,970.94
MEP IRDP Solapur Toll Road Private Limited	-	-	20.11	43.64	-	-	-	-	20.11	43.64
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	953.40	-	-	-	-	-	953.40
IEPL Power Trading Company Private Limited	-	-	-	-	-	-	-	309.39	-	309.39
Raima Ventures Private Limited	-	-	469.89	158.65	-	-	-	-	469.89	158.65
MEP Highway Solutions Private Limited	-	-	79.65		-	-	-	-	79.65	-
MEP RGSL Toll Bridge Private Limited	-	-	2,244.78	10.59	-	-	-	-	2,244.78	10.59
Mrs. Anuya Mhaiskar	-	-	-	-	-	5.69	-	-	-	5.69
Mr. Jayant Mhaiskar	-	-	-	-	-	6,263.87	-	-	-	6,263.87
Advances taken										
MEP Infrastructure Private Limited (Mobilisation Advance)	-	-	13,344.79	-	-	-	-	-	13,344.79	-
Raima Toll and Infrastructure Private Limited (Mobilisation Advance)	-	-	1,148.57	-	-	-	-	-	1,148.57	-
Adjustment of Advance taken										
MEP Infrastructure Private Limited (Mobilisation Advance)	-	-	588.78	-	-	-	-	-	588.78	-
Repayment of advances taken										
Raima Ventures Private Limited	-	-	-	116.82	-	-	-	-	-	116.82
MEP Infrastructure Private Limited (Mobilisation Advance)	-	-	-	212.73	-	-	-	-	-	212.73
Raima Toll and Infrastructure Private Limited	-	-	1,148.57	-	-	-	-		1,148.57	-
Advances given										
Ideal Toll & Infrastructure Private Limited	990.49	2,750.00	-	-	-	-	-	-	990.49	2,750.00
A J Tolls Private Limited	-	-	-	-	-	-	-	500.00	-	500.00
Repayment of advances given										
Ideal Toll & Infrastructure Private Limited	1,046.19	-	-	-	-	-	-	-	1,046.19	-
A J Tolls Private Limited	-	-	-	-	-	-	500.00	-	500.00	-

B S R and Co. 1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India. Chartered Accountants

Parikh Joshi & Kothare Chartered Accountants Mumbai

MEP Infrastructure Developers Limited

Notes to financial statements *(Continued)*
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

26.10 Related party disclosures (Continued)

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

	Holding Company		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Margin money/ Performance security received										
MEP Chennai Bypass Toll Road Private Limited	-	-	594.00	-	-	-	-	-	594.00	-
MEP Roads & Bridges Private Limited	-	-	514.50	-	-	-	-	-	514.50	-
Share application money received										
Ideal Toll & Infrastructure Private Limited	2,500.00	-	-	-	-	-	-	-	2,500.00	-
Shares allotted										
Ideal Toll & Infrastructure Private Limited	2,500.00	-	-	-	-	-	-	-	2,500.00	-
Share application money paid										
MEP Infrastructure Private Limited	-	-	990.00	4,533.75	-	-	-	-	990.00	4,533.75
Rideema Toll Private Limited	-	-	-	405.80	-	-	-	-	-	405.80
Baramati Tollways Private Limited	-	-	6.00	-	-	-	-	-	6.00	-
MEP Hamirpur Bus Terminal Private Limited	-	-	-	1.66	-	-	-	-	-	1.66
MEP Nagzari Toll Road Private Limited	-	-	-	23.10	-	-	-	-	-	23.10
MEP IRDP Solapur Toll Road Private Limited	-	-	-	0.68	-	-	-	-	-	0.68
Rideema Toll Bridge Private Limited	-	-	2,000.00	200.22	-	-	-	-	2,000.00	200.22
Raima Toll Road Private Limited	-	-	1,000.00	99.00	-	-	-	-	1,000.00	99.00
MEP Toll Gates Private Limited	-	-	-	-	-	-	-	0.05	-	0.05
MEP Highway Solutions Private Limited	-	-	164.00	1,313.48	-	-	-	-	164.00	1,313.48
MEP RGSL Toll Bridge Private Limited	-	-	-	399.00	-	-	-	-	-	399.00
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	500.00	-	-	-	-	-	500.00	-
MEP Chennai Bypass Toll Road Private Limited	-	-	116.00	10.53	-	-	-	-	116.00	10.53
Ideal Energy Projects Limited	-	-	-	-	-	-	-	0.48	-	0.48
Share application money paid returned back										
Ideal Toll & Infrastructure Private Limited	-	5,525.75	-	-	-	-	-	-	-	5,525.75
MEP Infrastructure Private Limited	-	-	990.00	-	-	-	-	-	990.00	-
MEP Highway Solutions Private Limited	-	-	-	800.09	-	-	-	-	-	800.09
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	250.00	804.39	-	-	-	-	250.00	804.39
A J Tolls Private Limited	-	-	-	-	-	-	-	989.44	-	989.44
Rideema Toll Bridge Private Limited	-	-	1,000.00	200.64	-	-	-	-	1,000.00	200.64
MEP IRDP Solapur Toll Road Private Limited	-	-	-	6.50	-	-	-	-	-	6.50
MEP RGSL Toll Bridge Private Limited	-	-	-	0.11	-	-	-	-	-	0.11
MEP Una Bus Terminal Private Limited	-	-	-	0.40	-	-	-	-	-	0.40
Baramati Tollways Private Limited	-	-	-	1,221.37	-	-	-	-	-	1,221.37
MEP Nagzari Toll Road Private Limited	-	-	-	23.00	-	-	-	-	-	23.00
Raima Toll Road Private Limited	-	-	500.00	-	-	-	-	-	500.00	-
Ideal Hospitality Private Limited	-	-	-	-	-	-	2,090.00	1,020.00	2,090.00	1,020.00
Ideal Energy Projects Limited	-	-	-	-	-	-	-	450.00	-	450.00
Shares of MEP Infrastructure Private Limited acquired from										
Ideal Toll & Infrastructure Private Limited	584.80	427.30	-	-	-	-	-	-	584.80	427.30

B S R and Co Chartered Accountants 1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.

Parikh Joshi & Kothare Chartered Accountants Mumbai

MEP Infrastructure Developers Limited

Notes to financial statements *(Continued)*
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

26.10 Related party disclosures (Continued)

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

	Holding Company		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Shares of MEP Hyderabad Bangalore Toll Road Private Limited acquired from										
Ideal Energy Projects Limited	-	-	0.48	-	-	-	-	-	0.48	-
Shares of Rideema Toll Private Limited acquired from										
Ideal Toll & Infrastructure Private Limited	-	414.60	-	-	-		-	-	-	414.60
Mr. Jayant Mhaiskar	-	-	0.10	-	-	567.00	-	-	0.10	567.00
Investment in shares of MEP Highway Solutions Private Limited from										
Mrs. Anuya Mhaiskar	-	-	-	-	-	0.49	-	-	-	0.49
Mr. Jayant Mhaiskar	-	-	-	-	-	0.49	-	-	-	0.49
Investment in shares of MEP RGSL Toll Bridge Private Limited from										
Mrs. Anuya Mhaiskar	-	-	-	-	-	0.49	-	-	-	0.49
Mr. Jayant Mhaiskar	-	-	-	-	-	0.49	-	-	-	0.49
Shares of MEP Tormato Private Limited acquired from										
Mr. Jayant Mhaiskar	-	-	1.00	-	-	-	-	-	1.00	-
Shares of Raima Toll and Infrastructure Private Limited acquired from										
Mrs. Anuya Mhaiskar	-	-	-	-	-	-	0.50	-	0.50	-
Mr. Jayant Mhaiskar	-	-	-	-	-	-	0.50	-	0.50	-
Equity contribution made										
Purchase of shares of MEP Hamirpur Bus Terminal Private Limited	-	-	-	94.50	-	-	-	-	-	94.50
Purchase of shares of MEP Una Bus Terminal Private Limited	-	-	-	64.00	-	-	-	-	-	64.00
Purchase of shares of MEP Chennai Bypass Toll Road Private Limited	-	-	-	399.00	-	-	-	-	-	399.00
Purchase of shares of MEP Nagzari Toll Road Private Limited	-	-	-	63.00	-	-	-	-	-	63.00
Purchase of shares of MEP IRDP Solapur Toll Road Private Limited	-	-	-	81.00	-	-	-	-	-	81.00
Purchase of shares of Rideema Toll Bridge Private Limited	-	-	-	267.00	-	-	-	-	-	267.00
Purchase of shares of Rideema Toll Private Limited	-	-	-	405.80	-	-	-	-	-	405.80
Purchase of shares of Raima Toll and Infrastructure Private Limited	-	-	699.00	-	-	-	-	-	699.00	-
Purchase of shares of Raima Toll Road Private Limited	-	-	230.00	699.00	-	-	-	-	230.00	699.00
Purchase of shares of MEP Highway Solutions Private Limited	-	-	440.00	313.50	-	-	-	-	440.00	313.50
Purchase of shares of MEP RGSL Toll Bridge Private Limited	-	-	-	399.00	-	-	-	-	-	399.00
Purchase of shares of MEP Infraprojects Private Limited	-	-	1.00	-	-	-	-	-	1.00	-
Purchase of shares of MEP Infra Cons Private Limited	-	-	1.00	-	-	-	-	-	1.00	-
Purchase of shares of MEP Infrastructure Private Limited	-	-	10,075.00	-	-	-	-	-	10,075.00	-
Purchase of shares of MEP Roads & Bridges Private Limited	-	-	1.00	-	-	-	-	-	1.00	-
Purchase of shares of MEP Toll & Infrast Private Limited	-	-	1.00	-	-	-	-	-	1.00	-
Purchase of shares of Mhaiskar Toll Road Private Limited	-	-	1.00	-	-	-	-	-	1.00	-
Purchase of shares of KVM Technology Solutions Private Limited	-	-	-	-	-	-	0.33	-	0.33	-

MEP Infrastructure Developers Limited

Notes to financial statements *(Continued)*
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

26.10 Related party disclosures (Continued)

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

	Holding Company		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	**Year ended 31 March 2015**	Year ended 31 March 2014	**Year ended 31 March 2015**	Year ended 31 March 2014	**Year ended 31 March 2015**	Year ended 31 March 2014	**Year ended 31 March 2015**	Year ended 31 March 2014
Sale of investment (Equity contribution)										
Ideal Toll & Infrastructure Private Limited	**160.46**	-	-	-	-	-	-	-	**160.46**	-
Investment in preference shares										
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	**2,000.00**	-	-	-	-	-	**2,000.00**	-
Expenses incurred on our behalf by										
MEP Infrastructure Private Limited	-	-	**27.45**	-	-	-	-	-	**27.45**	-
MEP Highway Solutions Private Limited	-	-	**0.74**	25.98	-	-	-	-	**0.74**	25.98
MEP Chennai Bypass Toll Road Private Limited	-	-	**0.27**	-	-	-	-	-	**0.27**	-
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	**17.08**	-	-	-	-	-	**17.08**	-
Raima Toll and Infrastructure Private Limited	-	-	**57.64**	-	-	-	-	-	**57.64**	-
Raima Toll Road Private Limited	-	-	-	104.71	-	-	-	-	-	104.71
Expenses incurred on behalf of										
Ideal Toll & Infrastructure Private Limited	**0.34**	384.94	-	-	-	-	-	-	**0.34**	384.94
MEP Infrastructure Private Limited	-	-	**33.94**	275.56	-	-	-	-	**33.94**	275.56
Baramati Tollways Private Limited	-	-	**141.10**	103.76	-	-	-	-	**141.10**	103.76
Raima Ventures Private Limited	-	-	**256.64**	28.51	-	-	-	-	**256.64**	28.51
Rideema Toll Bridge Private Limited	-	-	**178.45**	62.51	-	-	-	-	**178.45**	62.51
Rideema Toll Private Limited	-	-	-	0.11	-	-	-	-	-	0.11
MEP Chennai Bypass Toll Road Private Limited	-	-	**256.70**	118.44	-	-	-	-	**256.70**	118.44
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	**509.95**	81.90	-	-	-	-	**509.95**	81.90
MEP IRDP Solapur Toll Road Private Limited	-	-	**93.70**	121.37	-	-	-	-	**93.70**	121.37
Raima Toll Road Private Limited	-	-	**128.42**	0.11	-	-	-	-	**128.42**	0.11
Raima Toll and Infrastructure Private Limited	-	-	**333.94**	-	-	-	-	-	**333.94**	-
MEP Nagzari Toll Road Private Limited	-	-	**96.09**	75.79	-	-	-	-	**96.09**	75.79
MEP Roads & Bridges Private Limited	-	-	**29.05**	-	-	-	-	-	**29.05**	-
MEP RGSL Toll Bridge Private Limited	-	-	**114.43**	26.80	-	-	-	-	**114.43**	26.80
MEP Highway Solutions Private Limited	-	-	**150.85**		-	-	-	-	**150.85**	-
MEP Una Bus Terminal Private Limited	-	-	-	0.11	-	-	-	-	-	0.11
VCR Toll Services Private Limited	-	-		-	-	-	**11.74**	14.99	**11.74**	14.99
KVM Technology Solutions Private Limited	-	-	-	-	-	-	**5.77**	-	**5.77**	-
Jan Transport	-	-	-	-	-	-	**6.00**	-	**6.00**	-
Ideal Energy Projects Limited	-	-	-	-	-	-	-	6.91	-	6.91
A J Tolls Private Limited	-	-	-	-	-	-	-	0.15	-	0.15

Notes to financial statements ***(Continued)***
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

26.10 Related party disclosures (Continued)

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

	Holding Company		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Interest on loans given - Income										
Baramati Tollways Private Limited	-	-	23.56	128.83	-	-	-	-	23.56	128.83
Rideema Toll Bridge Private Limited	-	-	127.23	206.18	-	-	-	-	127.23	206.18
Rideema Toll Private Limited	-	-	696.40	218.82	-	-	-	-	696.40	218.82
MEP Infrastructure Private Limited	-	-	24.71	4.56	-	-	-	-	24.71	4.56
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	366.17	138.60	-	-	-	-	366.17	138.60
MEP Chennai Bypass Toll Road Private Limited	-	-	63.41	97.81	-	-	-	-	63.41	97.81
MEP Nagzari Toll Road Private Limited	-	-	32.22	2.75	-	-	-	-	32.22	2.75
MEP IRDP Solapur Toll Road Private Limited	-	-	2.90		-	-	-	-	2.90	-
MEP Highway Solutions Private Limited	-	-	722.51	-	-	-	-	-	722.51	-
Raima Toll Road Private Limited	-	-	239.55	107.95	-	-	-	-	239.55	107.95
Raima Toll and Infrastructure Private Limited	-	-	6.23	-	-	-	-	-	6.23	-
Rideema Enterprises	-	-	-	-	-	-	-	6.62	-	6.62
Interest on loans taken - expenses										
Raima Ventures Private Limited	-	-	56.87	29.23	-	-	-	-	56.87	29.23
MEP RGSL Toll Bridge Private Limited	-	-	109.91	3.06	-	-	-	-	109.91	3.06
Raima Toll and Infrastructure Private Limited	-	-	71.59	-	-	-	-	-	71.59	-
MEP IRDP Solapur Toll Road Private Limited	-	-	0.67	-	-	-	-	-	0.67	-
Income from toll collection										
D S Enterprises	-	-	-	-	-	-	13,176.78	4,115.06	13,176.78	4,115.06
MEP Roads & Bridges Private Limited	-	-	2,405.93	-	-	-	-	-	2,405.93	-
Road repairing charges received										
MEP Infrastructure Private Limited	-	-	2,666.26	244.10	-	-	-	-	2,666.26	244.10
Raima Ventures Private Limited	-	-	906.96	-	-	-	-	-	906.96	-
Raima Toll and Infrastructure Private Limited	-	-	267.31	-	-	-	-	-	267.31	-
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	47.83	-	-	-	-	-	47.83
MEP RGSL Toll Bridge Private Limited	-	-	-	22.61	-	-	-	-	-	22.61
Guarantees given on behalf of										
Raima Toll Road Private Limited	-	-	-	8,050.00	-	-	-	-	-	8,050.00
MEP RGSL Toll Bridge Private Limited	-	-	-	4,000.00	-	-	-	-	-	4,000.00
Rideema Toll Bridge Private Limited	-	-	-	24,880.00	-	-	-	-	-	24,880.00
Raima Toll and Infrastructure Private Limited	-	-	4,808.00	-	-	-	-	-	4,808.00	-
MEP Roads & Bridges Private Limited	-	-	514.50	-	-	-	-	-	514.50	-
MEP Highway Solutions Private Limited	-	-	124.00	-	-	-	-	-	124.00	-
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	8,360	-	-	-	-	-	8,360.00

B S R and Co Chartered Accountants 1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.

PARIKH JOSHI & KOTHARE CHARTERED ACCOUNTANTS MUMBAI

MEP Infrastructure Developers Limited

Notes to financial statements *(Continued)*
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

26.10 Related party disclosures (Continued)

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

	Holding Company		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
II) Balances at the end of the year										
Loans given										
MEP Infrastructure Private Limited	-	-	-	568.03	-	-	-	-	-	568.03
MEP Hamirpur Bus Terminal Private Limited	-	-	-	-	-	-	0.61	0.61	0.61	0.61
MEP Una Bus Terminal Private Limited	-	-	-	-	-	-	1.92	1.92	1.92	1.92
Raima Toll Road Private Limited	-	-	2,838.52	910.18	-	-	-	-	2,838.52	910.18
Ideal Energy Projects Limited	-	-	-	-	-	-	-	20.00	-	20.00
Rideema Toll Private Limited	-	-	5,387.68	5,322.20	-	-	-	-	5,387.68	5,322.20
Rideema Toll Bridge Private Limited	-	-	970.60	992.39	-	-	-	-	970.60	992.39
Baramati Tollways Private Limited	-	-	233.26	-	-	-	-	-	233.26	-
MEP Highway Solutions Private Limited	-	-	7,203.82	-	-	-	-	-	7,203.82	-
MEP Chennai Bypass Toll Road Private Limited	-	-	501.50	502.85	-	-	-	-	501.50	502.85
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	3,112.78	1,526.64	-	-	-	-	3,112.78	1,526.64
MEP IRDP Solapur Toll Road Private Limited	-	-	110.00	-	-	-	-	-	110.00	-
MEP RGSL Toll Bridge Private Limited	-	-	83.29	-	-	-	-	-	83.29	-
MEP Nagzari Toll Road Private Limited	-	-	393.89	160.53	-	-	-	-	393.89	160.53
Non-current investment										
MEP Infrastructure Private Limited	-	-	11,706.05	1,046.05	-	-	-	-	11,706.05	1,046.05
A J Tolls Private Limited	-	-	-	-	-	-	3.30	3.30	3.30	3.30
Raima Ventures Private Limited	-	-	1,149.89	1,149.89	-	-	-	-	1,149.89	1,149.89
Rideema Toll Private Limited	-	-	2,488.50	2,488.40	-	-	-	-	2,488.50	2,488.40
MEP Hamirpur Bus Terminal Private Limited	-	-	-	-	-	-	-	95.48	-	95.48
MEP Una Bus Terminal Private Limited	-	-	-	-	-	-	-	64.98	-	64.98
MEP Chennai Bypass Toll Road Private Limited	-	-	400.00	400.00	-	-	-	-	400.00	400.00
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	2,000.99	0.51	-	-	-	-	2,000.99	0.51
Raima Toll Road Private Limited	-	-	930.00	700.00	-	-	-	-	930.00	700.00
Raima Toll and Infrastructure Private Limited	-	-	700.00	-	-	-	-	-	700.00	-
MEP Nagzari Toll Road Private Limited	-	-	63.98	63.98	-	-	-	-	63.98	63.98
MEP IRDP Solapur Toll Road Private Limited	-	-	81.98	81.98	-	-	-	-	81.98	81.98
Rideema Toll Bridge Private Limited	-	-	267.98	267.98	-	-	-	-	267.98	267.98
MEP Tormato Private Limited	-	-	1.00	-	-	-	-	-	1.00	-
Mep Infraprojects Private Limited	-	-	1.00	-	-	-	-	-	1.00	-
MEP Infra Constructions Private Limited	-	-	1.00	-	-	-	-	-	1.00	-
Mep Roads & Bridges Private Limited	-	-	1.00	-	-	-	-	-	1.00	-
MEP Toll & Infrast Private limited	-	-	1.00	-	-	-	-	-	1.00	-
Mhaiskar Toll Road Private Limited	-	-	1.00	-	-	-	-	-	1.00	-
MEP RGSL Toll Bridge Private Limited	-	-	399.98	399.98	-	-	-	-	399.98	399.98
MEP Highway Solutions Private Limited	-	-	754.48	314.48	-	-	-	-	754.48	314.48
KVM Technology Solutions Private Limited	-	-	-	-	-	-	0.33	-	0.33	-
Advances given										
Ideal Toll & Infrastructure Private Limited	2,694.30	2,750.00	-	-	-	-	-	-	2,694.30	2,750.00
A J Tolls Private Limited	-	-	-	-	-	-	-	500.00	-	500.00

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited

Notes to financial statements ***(Continued)***
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

26.10 Related party disclosures (Continued)

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

	Holding Company		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Advance against acquisition of shares										
Ideal Toll & Infrastructure Private Limited	-	584.80	-						-	584.80
MEP Infrastructure Private Limited	-	-	-	10,075.00	-	-	-	-	-	10,075.00
Rideema Toll Private Limited	-	-	114.98	114.98	-	-	-	-	114.98	114.98
Rideema Toll Bridge Private Limited	-	-	1,000.00	-	-	-	-	-	1,000.00	-
Raima Toll Road Private Limited	-	-	500.00	-	-	-	-	-	500.00	-
MEP Toll Gates Private Limited	-	-	-	-	-	-	0.16	0.16	0.16	0.16
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	250.00	-	-	-	-	-	250.00	-
Ideal Hospitality Private Limited	-	-	-	-	-	-	-	2,090.00	-	2,090.00
Ideal Energy Projects Limited	-	-	-	-	-	-	-	0.48	-	0.48
MEP Chennai Bypass Toll Road Private Limited	-	-	116.00	-	-	-	-	-	116.00	-
Baramati Tollways Private Limited	-	-	6.00	-	-	-	-	-	6.00	-
MEP Highway Solutions Private Limited	-	-	164.00	200.00	-	-	-	-	164.00	200.00
Advances taken										
MEP Infrastructure Private Limited (Mobilisation Advance)	-	-	12,756.00	-	-	-	-	-	12,756.00	-
Guarantees given on behalf of										
Raima Ventures Private Limited	-	-	15,000.00	15,000.00	-	-	-	-	15,000.00	15,000.00
Baramati Tollways Private Limited	-	-	5,941.00	5,941.00	-	-	-	-	5,941.00	5,941.00
MEP Infrastructure Private Limited	-	-	275,857.00	275,857.00	-	-	-	-	275,857.00	275,857.00
MEP IRDP Solapur Toll Road Private Limited	-	-	637.50	637.50	-	-	-	-	637.50	637.50
MEP Nagzari Toll Road Private Limited	-	-	837.50	837.50	-	-	-	-	837.50	837.50
MEP Chennai Bypass Toll Road Private Limited	-	-	-	6,940.00	-	-	-	-	-	6,940.00
Raima Toll Road Private Limited	-	-	8,050.00	8,050.00	-	-	-	-	8,050.00	8,050.00
MEP RGSL Toll Bridge Private Limited	-	-	4,000.00	4,000.00	-	-	-	-	4,000.00	4,000.00
Raima Toll and Infrastructure Private Limited	-	-	4,808.00	-	-	-	-	-	4,808.00	-
Rideema Toll Bridge Private Limited	-	-	22,160.00	24,880.00	-	-	-	-	22,160.00	24,880.00
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	8,360.00	8,360.00	-	-	-	-	8,360.00	8,360.00
MEP Roads & Bridges Private Limited	-	-	514.50	-	-	-	-	-	514.50	-
MEP Highway Solutions Private Limited	-	-	124.00	-	-	-	-	-	124.00	-
Loans taken from the related parties										
Ideal Toll & Infrastructure Private Limited	-	406.46	-	-	-	-	-	-	-	406.46
MEP IRDP Solapur Toll Road Private Limited	-	-	-	11.23	-	-	-	-	-	11.23
Raima Ventures Private Limited	-	-	-	461.32	-	-	-	-	-	461.32
MEP RGSL Toll Bridge Private Limited	-	-	-	2,244.78	-	-	-	-	-	2,244.78
Mr. Jayant Mhaiskar	-	-	-	-	100.00	-	-	-	100.00	-
Trade receivables										
MEP Roads & Bridges Private Limited	-	-	215.43	-	-	-	-	-	215.43	-
Raima Ventures Private Limited	-	-	888.82	-	-	-	-	-	888.82	-
Raima Toll and Infrastructure Private Limited	-	-	261.96	-	-	-	-	-	261.96	-
D S Enterprises	-	-	-	-	-	-	2,551.53	2,241.76	2,551.53	2,241.76

MEP Infrastructure Developers Limited

Notes to financial statements *(Continued)*
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

26.10 Related party disclosures (Continued)

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

	Holding Company		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	**Year ended 31 March 2015**	Year ended 31 March 2014	**Year ended 31 March 2015**	Year ended 31 March 2014	**Year ended 31 March 2015**	Year ended 31 March 2014	**Year ended 31 March 2015**	Year ended 31 March 2014
Other receivables										
Ideal Toll & Infrastructure Private Limited	-	-	160.80	-	-	-	-	-	160.80	-
Baramati Tollways Private Limited	-	-	140.95	90.60	-	-	-	-	140.95	90.60
Rideema Toll Bridge Private Limited	-	-	89.45	36.94	-	-	-	-	89.45	36.94
MEP Infrastructure Private Limited	-	-	-	213.46	-	-	-	-	-	213.46
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	399.34	39.59	-	-	-	-	399.34	39.59
MEP Chennai Bypass Toll Road Private Limited	-	-	142.29	108.04	-	-	-	-	142.29	108.04
MEP Nagzari Toll Road Private Limited	-	-	92.60	75.01	-	-	-	-	92.60	75.01
Raima Toll Road Private Limited	-	-	117.45	-	-	-	-	-	117.45	-
Raima Ventures Private Limited	-	-	185.17	14.60	-	-	-	-	185.17	14.60
Raima Toll and Infrastructure Private Limited	-	-	113.87		-	-	-	-	113.87	-
MEP RGSL Toll Bridge Private Limited	-	-	-	24.51	-	-	-	-	-	24.51
MEP IRDP Solapur Toll Road Private Limited	-	-	90.46	116.44	-	-	-	-	90.46	116.44
MEP Highway Solutions Private Limited	-	-	132.13	-	-	-	-	-	132.13	-
VCR Toll Services Private Limited	-	-	-	-	-	-	11.74	14.80	11.74	14.80
KVM Technology Solutions Private Limited	-	-	-	-	-	-	5.77	-	5.77	-
Interest receivable on loans given										-
Baramati Tollways Private Limited	-	-	96.60	75.39	-	-	-	-	96.60	75.39
Rideema Toll Bridge Private Limited	-	-	-	185.56	-	-	-	-	-	185.56
MEP Infrastructure Private Limited	-	-	-	4.10	-	-	-	-	-	4.10
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	376.47	124.74	-	-	-	-	376.47	124.74
MEP Chennai Bypass Toll Road Private Limited	-	-	52.78	88.03	-	-	-	-	52.78	88.03
MEP Nagzari Toll Road Private Limited	-	-	31.47	2.48	-	-	-	-	31.47	2.48
MEP IRDP Solapur Toll Road Private Limited	-	-	2.61	-	-	-	-	-	2.61	-
Raima Toll Road Private Limited	-	-	154.88	97.16	-	-	-	-	154.88	97.16
Rideema Toll Private Limited	-	-	821.35	194.58	-	-	-	-	821.35	194.58
MEP Highway Solutions Private Limited	-	-	577.17	-	-	-	-	-	577.17	-
Interest payable on loans taken									-	-
Raima Ventures Private Limited	-	-	-	26.31	-	-	-	-	-	26.31
MEP RGSL Toll Bridge Private Limited	-	-	-	2.75	-	-	-	-	-	2.75
Margin money/ Performance security received									-	-
MEP Chennai Bypass Toll Road Private Limited	-	-	594.00	-	-	-	-	-	594.00	-
MEP Roads & Bridges Private Limited	-	-	514.50	-	-	-	-	-	514.50	-
Other current liabilities										
Raima Toll Road Private Limited	-	-	-	114.25	-	-	-	-	-	114.25
MEP Highway Solutions Private Limited	-	-	-	25.98	-	-	-	-	-	25.98
MEP Infrastructure Private Limited	-	-	419.29	-	-	-	-	-	419.29	-
MEP RGSL Toll Bridge Private Limited	-	-	12.20	-	-	-	-	-	12.20	-
Key Managerial remuneration payable									-	-
Mr. Murzash Manekshana	-	-	-	-	2.76	10.73	-	-	2.76	10.73
Mr. Jayant Mhaiskar	-	-	-	-	5.73	-	-	-	5.73	-

Notes to financial statements ***(Continued)***
for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

26.11 Domestic transfer pricing

The Indian Finance Bill, 2012 had sought to bring in certain class of domestic transactions in the ambit of the transfer pricing regulations with effect from 1 April 2012. The Company's management is of the opinion that its domestic transaction are at arm's length so that appropriate legislation will not have an impact on financial statements, particularly on the amount of tax expense and that of provision for taxation. The Company does not have any international transactions during the year.

26.12 Prior period expense (net)

Prior period expense (net) in the Statement of Profit and Loss is a net result of prior period charge towards maintenance cost paid to Authority of Rs. 50.88 lakhs, professional fees of Rs. 14.78 lakhs, ESIC of Rs.1.50 lakhs, membership fees of Rs. 2.97 lakhs and prior period income of Rs. 40.89 lakhs towards reversal of share issue expenses charged in previous year.

Prior period expense (net) in the Statement of Profit and Loss for the year ended 31 March 2014 is a net result of prior period charge towards concession fees paid to Authority Rs 89.39 lakhs, ESIC of Rs 1.87 lakhs and Toll Collection of Rs 7.50 lakhs.

26.13 Other matters

Information with regards to other matters specified in Schedule III to the Act, is either nil or not applicable to the Company for the period.

26.14 Previous year comparatives

Previous year's figures have been reclassified wherever considered necessary to conform to the current year's presentation, details of the same are as follows:

Particulars	Note No.	Amount as per previous year financials	Adjustments	Revised amount for previous year
Trade payables	9	2,990.42	(58.13)	2,932.29
Other current liabilities	10	9,284.99	67.66	9,352.65
Long-term loans and advances	14	16,098.67	9.89	16,108.56
Trade receivables	16	2,321.71	(70.44)	2,251.27
Cash and bank balances	17	2,759.61	(1.15)	2,758.46
Short-term loans and advances	18	16,561.79	(733.21)	15,828.58
Other current assets	19	815.93	804.45	1,620.38

As per our report of even date attached.

For **B S R and Co**
Chartered Accountants
Firm's Registration No: 128510W

Vijay Mathur
Partner
Membership No: 046476

Mumbai
Date : 04 August 2015

For **Parikh Joshi & Kothare**
Chartered Accountants
Firm's Registration No: 107547W

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
Date : 04 August 2015

For and on behalf of the Board of Directors of MEP Infrastructure Developers Limited
CIN: U45200MH2002PLC136779

Jayant D. Mhaiskar
Managing Director
DIN: 00716351

Anuya J. Mhaiskar
Director
DIN: 00707650

M. Sankaranarayanan
Chief Financial Officer

Shridhar Phadke
Company Secretary

Mumbai
Date : 04 August 2015

Limited Review Report

Review Report to,
The Board of Directors
MEP Infrastructure Developers Limited

1. We have reviewed the accompanying Consolidated Statement of Unaudited Financial Results of MEP Infrastructure Developers Limited ('the Holding Company') and its subsidiaries associate companies and jointly controlled entities (collectively referred to as "the Group"), for the quarter and nine months ended on December 31, 2017, (the "Statement") pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34') prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Holding Company's management and has been approved by the Board of Directors of the Holding Company. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. The Statement includes results of entities listed in Annexure 'A'.

5. We have not reviewed the statements of financial results of 16 Subsidiary Companies , 6 Jointly Controlled Entities and 1 Associate Company, whose financial statements reflect total assets of Rs. 3,01,634.03 lakhs as at December 31 , 2017 and total revenue of Rs.81,661.49 lakhs for the period then ended. The statements of financial results of these subsidiaries have been reviewed by M/s. Gokhale & Sathe, Chartered Accountants, whose Limited Review Reports have been furnished to us, and our report, in so far as it relates to the amounts included in respect of these entities, is based solely on their report.

G.D. APTE & CO. Chartered Accountants

Mumbai Office: Office No. 83 – 87, 8th Floor, Mittal Tower, B-Wing, Nariman Point, Mumbai – 400 021, Phone – 022 – 4922 0555, Fax – 022 – 4922 0504; Email – chetan.sapre@gdaca.com.
Pune Office: GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune – 411 038, Phone – 020 – 2528 0081, Fax – 020 – 2528 0275; Email – audit@gdaca.com.

6. Basis for Qualified Conclusion

   We draw attention to Note 8 to the Statement which states that the Unaudited Consolidated Financial Results include outstanding receivables of Rs. 710.14 lakhs as at December 31 2017 from a jointly controlled entity – SMYR Consortium LLP. In the absence of a balance confirmation from the jointly controlled entity as at December 31, 2017, we are unable to comment on the recoverability of the aforementioned balance and the consequential impact, if any, on the consolidated financial statements.

7. Emphasis of Matter;

   (i) We draw attention to Note 5 to the Statement, where it is mentioned that one of the subsidiary company has preferred claims with National Highway Authority of India (the Authority), aggregating to Rs. 33,973.75 lakhs plus interest thereon on account of on account of Toll Evasion and Force Majeure issues arising from non-compliance of the Concession Agreement by Authority. However, the Company's subsidiary has not recognized the claims in the financial statements pending final approval from the Authority. Also, the Subsidiary Company has not recognized contractual obligations to pay to the Authority, a sum of Rs. 280 lakhs for the year ended March 31, 2017 in addition to the sum of Rs. 12,843.19 lakhs for the period from November 1, 2014 to March 31, 2016. The approval by NHAI of the claims made by the company, based on the assessment of the Independent Engineer appointed by it, is pending and hence no provision for the unpaid amount is considered necessary till December 2017.

   (ii) We draw attention to Note 6 of the statements where it is mentioned that one of the Company's subsidiary company handed over its project to the authority on August 25, 2016. Consequently, the net provisions relating to major road maintenance amounting Rs. 3,567.21 lakhs (comprising provisions of Rs. 5,455.29 lakhs disclosed as Exceptional item and deferred tax there on amounting Rs. 1,888.08 lakhs included in tax expenses) and the intangible assets amounting to Rs. 64,684.04 lakhs & concession fees payable to the authority amounting to Rs. 75,022.09 lakhs (on which deferred tax amounts to Rs 3,578.00 lakhs) recognized consequent to the transition to Ind AS up to March 31, 2016, are reversed during the quarter ended June 30, 2016 and September 30, 2016 respectively. (This accounting treatment has arisen consequent to the transition to Ind AS and the opinion of the Expert Advisory Committee of the ICAI in this regard is being sought by the company)

   The Company believes that there would not be any material claims made by the authority on the subsidiary and therefore no provisions for any costs that may arise have been presently recognized. Further, the subsidiary has lodged claims on account

G.D. APTE & CO. Chartered Accountants

of lesser user fee paid by State Transport buses with the concerned authority on an estimated basis amounting Rs Nil for the period ended December 31, 2017 (Rs. 506.29 lakhs during the period ended December 31, 2016) which are recorded under 'Revenue from operations'.

Our conclusion is not modified in respect of matters described in Paragraph 7 above.

8. Qualified Conclusion:

Based on our review conducted as above and based on the consideration of the review reports of other auditors referred to in paragraph '5' above, except for the possible effects of the matter described as "Basis for qualified opinion" in paragraph '6' above read with our comments described as "Emphasis of Matter" in paragraph '7', nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards, i.e., Ind AS prescribed by section 133 of the Companies Act, 2013 read with Rule 3 of the Companies Indian Accounting Standards Rules, 2015 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For G. D. Apte & Co.
Chartered Accountants
Firm registration number: 100515W

G. D. Apte & Co. * Chartered Accountants *

Chetan R. Sapre
Partner
Membership No: 116952

Place: Mumbai
Date: February 12, 2018

Annexure 'A' to the Limited Review Report on the Unaudited Consolidated Financial Results of MEP Infrastructure Developers Limited for the Quarter and Nine months ended December 31, 2017:

Sr. No.	Company Name
	Subsidiary Companies
1	MEP Infrastructure Private Limited
2	Baramati Tollways Private Ltd
3	Rideema Toll Private Limited
4	Raima Ventures Private Limited
5	Rideema Toll Bridge Private Limited
6	MEP Nagzari Toll Road Private Limited
7	MEP IRDP Solapur Toll Road Private Limited
8	Raima Toll Road Private Limited
9	MEP Chennai Bypass Toll Road Private Limited
10	MEP Highway Solutions Private Limited
11	MEP RGSL Toll Bridge Private Limited
12	Raima Toll & Infrastructure Private Limited
13	MEP Tormato Private Limited
14	MEP Roads & Bridges Private Limited
15	Mhaiskar Toll Road Private Limited
16	MEP Infra Constructions Private Limited
17	MEP Toll & Infrastructure Private Limited
18	MEP Infraprojects Private Limited
19	MEP Hyderabad Bangalore Toll Road Private Limited
20	MEP Foundation
	Jointly Controlled Entities
21	MEP Nagpur Ring Road 1 Private Limited
22	MEP Sanjose Nagpur Ring Road 2 Private Limited
23	MEP Sanjose Arawali Kante Road Private Limited
24	MEP Sanjose Kante Waked Road Private Limited
25	MEP Sanjose Talaja Mahuva Road Private Limited
26	MEP Sanjose Mahuva Kagavadar Road Private Limited
	Associate Company
27	KVM Technology Solutions Private Limited

G.D. APTE & CO. ★ Chartered Accountants ★

MEP INFRASTRUCTURE DEVELOPERS LIMITED

Registered Office: A-412, Boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai - 400072 Web site : www.mepinfra.com

CIN:L45200MH2002PLC136779

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2017

Part I-Statement of Consolidated Unaudited Financial Results for the Quarter and nine months ended 31st December, 2017

(Rs. In Lakhs except Earning per Share)

Sr No.	Particulars	Quarter Ended			Nine Months ended		Year Ended
		31.12.2017 (Unaudited)	30.09.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)	31.03.2017 (Audited)
1	**Income**						
	a) Revenue from operations	75,661 96	40,907 95	38,898 96	154,577 89	129,745 72	172,906 74
	b) Other income	1,460 23	2,901 21	1,769 87	8,526 55	5,680 14	8,636 84
	Total income from operations	**77,122.19**	**43,809.16**	**40,668.83**	**163,104.44**	**135,425.86**	**181,543.58**
2	**Expenses**						
	a) Operating and Maintenance expenses	45,751 67	19,441 78	5,970 04	82,664 87	22,544 14	32,802 38
	b) Employee benefits expenses	2,430 51	1,784 55	1,750 49	5,768 94	5,534 64	7,335 22
	c) Finance Cost	12,083 59	11,414 80	12,127 31	35,088 29	37,262 83	49,309 04
	d) Depreciation and amortisation expenses	12,703 70	7,796 39	19,296 10	29,578 19	67,220 38	86,800 92
	e) Other expenses	1,480 61	1,098 47	1,069 33	3,425 94	2,948 36	3,890 36
	Total expenses	**74,450.08**	**41,535.99**	**40,213.27**	**156,526.23**	**135,510.35**	**180,137.92**
3	**Profit/ (Loss) from operations before exceptional items and tax (1-2)**	**2,672.11**	**2,273.17**	**455.56**	**6,578.21**	**(84.49)**	**1,405.66**
4	Exceptional Item	-	-	-	-	15,793 35	15,793 35
5	**Profit / (Loss) before tax (3+4)**	**2,672.11**	**2,273.17**	**455.56**	**6,578.21**	**15,708.86**	**17,199.01**
6	**Tax Expenses**						
	(1) Current tax	(679 51)	(428 72)	(134 18)	(1,081 32)	(548 48)	(1,052 07)
	(1) Deferred tax	(164 90)	(729 43)	(33 79)	(1,377 26)	(5,263 90)	(5,273 28)
7	Net Profit /(Loss) for the period / Year after tax and before Share of Profit/ (Loss) of Associates & Joint Venture (5 - 6)	**1,827.70**	**1,115.02**	**287.59**	**4,119.63**	**9,896.48**	**10,873.66**
8	**Share of Profit/(Loss) of associate/ Joint Venture**	658 27	(460 11)	(192 89)	317 79	(208 23)	18 84
9	**Net Profit/ (Loss) after Tax (7 + 8)**	**2,485.97**	**654.91**	**94.70**	**4,437.42**	**9,688.25**	**10,892.50**
10	**Other Comprehensive Income (OCI)**	(11 97)	**(12.13)**	(6 72)	(36 26)	**(20.15)**	**(48.17)**
11	**Total Comprehensive Income**	**2,474.00**	**642.78**	**87.98**	**4,401.16**	**9,668.10**	**10,844.33**
12	Paid-up equity share capital (Face value of Rs 10/- per share)	16,256 92	16,256 92	16,256 92	16,256 92	16,256 92	16,256 92
13	Reserves excluding Revaluation Reserves as at Balance Sheet date		-	-			(17,048 44)
14	Basic and Diluted Earnings Per Share (of Rs 10 /- each) (not annualised for quarters and Nine months ended)	**1.53**	**0.40**	**0.06**	**2.73**	**5.96**	**6.70**

(See accompanying notes to the financial results)

Part - II - Consolidated - Segment Reporting

Report on Un-Audited Consolidated Financial Segment Revenue and Segment Results for the Quarter and Nine Months ended 31 December 2017

		(Rs in Lakhs)					
		Quarter Ended			Nine Months ended		Year Ended
Sr no.	Particulars	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
		(Unaudited	(Unaudited	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	**Segment Revenue**						
	Toll Collection and Operation & Maintenance	60,549.77	24,540.94	36,540.14	111,652.47	127,386.90	166,569.84
	Construction	15,112.19	16,367.01	2,358.82	42,925.42	2,358.82	6,336.90
	Total	**75,661.96**	**40,907.95**	**38,898.96**	**154,577.89**	**129,745.72**	**172,906.74**
2	**Segment result**						
	Toll Collection and Operation & Maintenance	11,972.83	7,773.22	11,412.79	27,735.05	33,199.96	45,191.56
	Construction	2,358.07	3,550.71	109.26	7,546.49	109.26	718.11
	Total	**14,330.90**	**11,323.93**	**11,522.05**	**35,281.54**	**33,309.22**	**45,909.67**
	Less: Interest	(12,083.59)	(11,414.80)	(12,127.31)	(35,088.29)	(37,262.83)	(49,309.04)
	other Un-allocable Income net off unallocable expenes	424.80	2,364.05	1,060.82	6,384.96	3,869.12	4,805.03
	Exceptional Item	-		-		15,793.35	15,793.35
	Total Profit before Tax	**2,672.11**	**2,273.18**	**455.56**	**6,578.21**	**15,708.86**	**17,199.01**
	Other Informtion						
3	**Segment assets**						
	Toll Collection and Operation & Maintenance	435,455.89	424,337.00	447,544.84	435,455.89	447,544.84	437,130.46
	Construction	95,928.05	92,667.42	31,124.39	95,928.05	31,124.39	52,446.70
	Unallocated assets	-	-	-		-	-
	Total Assets	**531,383.94**	**517,004.42**	**478,669.23**	**531,383.94**	**478,669.23**	**489,577.16**
4	**Segment liabilities**						
	Toll Collection and Operation & Maintenance	438,574.78	428,461.12	449,312.34	438,574.78	449,312.34	422,034.68
	Construction	89,782.43	87,990.66	31,127.84	89,782.43	31,127.84	68,334.01
	Unallocated liabilities	-	-	-	-	-	-
	Total Liabilities	**528,357.21**	**516,451.78**	**480,440.18**	**528,357.21**	**480,440.18**	**490,368.69**

MEP Infrastructure Developers Limited ("the Company") and its subsidiaries (together, 'the Group') have identified business segments in accordance with Indian Accounting Standard 108 "Operating Segment" notified under section 133 of Companies Act 2013, read together with relevant rules issued thereunder Accordingly, the Group has identified two business segments as mentioned below;

1. Toll Collection and Operation & Maintenance
2. Construction

Notes to Consolidated Results:

1) The Consolidated Un-Audited Financial Statements for the Quarter and Nine Months ended 31 December 2017, have been reviewed and recommended by the Audit Committee and approved and taken on record by the Board of Directors at their respective meetings held on 12 February 2018. The Statutory Auditors have carried out a limited review of the Financial Results for the Quarter and Nine Months ended 31 December 2017 and expressed a modified audit opinion thereon.

2) The Consolidated Un-Audited Financial Statements are prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the rules made thereunder and in the format as prescribed under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The financial information presented above is extracted from and is harmonized to conform with the Un-Audited Financial Statements.

3) The Consolidated Un-Audited Financial Results of the Company are available on Company's website i.e. www.mepinfra.com and also on the website of National Stock Exchange of India Limited, www.nseindia.com and the BSE Limited, www.bseindia.com, where the Shares of the Company are listed.

4) The depreciation and amortisation expenses includes amortisation of toll collection rights amounting Rs 28,573.83 lakhs (Rs 66,195.84 lakhs during the Nine Months ended 31 December 2016) for the the Nine Months ended 31 December 2017.

5) One of the Company's subsidiary company has preferred claims with the Authority, aggregating Rs. 33,973.75 lakhs plus interest on account of Toll Evasion and Force Majeure issues arising from non-compliance of the Concession Agreement by Authority. The Company's subsidiary has not recognised the claims in the financial statements pending final approval from Authority. Under the orders of the Hon'ble High Court of Delhi, both the Company and Authority were directed to amicably settle the disputes. As a part of the amicable settlement, Independent Engineer has evaluated the claims made by the Company from time to time. However, final settlement on the same is yet to conclude. The estimated loss during the corresponding period as assessed by the Independent Engineer appointed by the Authority is much higher than the claims submitted to Authority. Hence, the Company's subsidiary has not recognised amount payable to Authority aggregating Rs Nil for Nine Months ended 31 December 2017 (Rs 280 lakhs for Nine Months ended 31 December 2016) in addition to the sum of Rs 13,123.19 lakhs for the period from 01 November 2014 to 8 April 2016. As part of the settlement, the Company, has handed over the Project Facilities and the Toll Plaza's to the NHAI from April 09, 2016. The Settlement of claims will be dealt as per the provisions of the Concession Agreement, and the matter is currently under arbitration.

6) One of the Company's subsidiary company handed over Project to the Authority on 25 August 2016. Consequently, the net provisions relating to major road maintenance amounting Rs. 3567.21 lakhs (comprising provisions of Rs. 5455.29 lakhs disclosed as Exceptional item and deferred tax there on amounting Rs. 1888.08 lakhs included in tax expenses) and the intangible assets amounting to Rs. 64,684.04 lakhs & concession fees payable to the authority amounting to Rs. 75,022.09 lakhs (on which deferred tax amounts to Rs 3,578.00 lakhs) recognised consequent to the transition to Ind AS upto 31 March 2016, were reversed during the quarter ended 30 June 2016 and 30 September 2016 respectively. We believe that there would not be any material claims made by the authority on the subsidiary and therefore no provisions for any costs that may arise have been presently recognized . Further, the subsidiary has lodged claims on account of lesser user fee paid by State Transport buses with the concerned authority on an estimated basis amounting Rs Nil for the quarter and Nine Months ended 31 December 2017 (Rs. Nil during the quarter and Rs 506.29 during the Nine Months ended 31 December 2016) which are recorded under 'Revenue from operations'.

7) The Standalone financial results of the Company are as follows: **(Rs in lakhs)**

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Net Sales / Income from operations	53,118.21	21,163.76	17,517.98	93,050.04	55,409.09	78,084.33
Profit before tax	1,663.27	1,384.44	323.82	3,097.28	1,544.42	2,676.72
Total comprehensive income (after tax)	1,077.52	899.85	194.83	2,289.81	999.78	1,741.18

8) The Company has a receivable from a jointly controlled entity aggregating to Rs. 710.14 lakhs as at 31 December 2017. The management is confident of recovering the same and hence no provision has been made for the same.

9) Figures relating to the previous year / period have been regrouped / rearranged, wherever necessary, to make them comparable with those of the current period.

For and on behalf of Board of Directors of
MEP INFRASTRUCTURE DEVELOPERS LIMITED

MEP Infrastructure Developers Ltd
Mumbai

Jayant D. Mhaiskar
Chairman & Managing Director
DIN: 00716351
Place : Mumbai
Date : 12 February 2018

Limited Review Report

Review Report to,
The Board of Directors
MEP Infrastructure Developers Limited

1. We have reviewed the accompanying Consolidated Statement of Unaudited Financial Results of MEP Infrastructure DevelopersLimited ('the Holding Company') and its subsidiaries and Jointly Controlled Entities (collectively referred to as "the Group"),for the quarterand half year ended on September 30, 2017, (the "Statement")pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34') prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Holding Company's management and has been approved by the Board of Directors of the Holding Company. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review in accordance with the "Standard on Review Engagement (SRE) 2410", "Review of Interim Financial Information"performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. The Statement includes results of entities listed in Annexure 'A'.

5. We have not reviewed the statements of financial results of16 Subsidiary Companies and 7Jointly Controlled Entities,whose financial statements reflect total assets of Rs. 47,118.08 lakhs as at September 30th,2017 and total revenue of Rs.16,077.28 Lakhs for the period then ended. The statements of financial results of these subsidiaries have been reviewed by M/s. Gokhale &Sathe, Chartered Accountants, whoseLimited Review Reports havebeen

G.D. APTE & CO. Chartered Accountants

furnished to us, and our report, in so far as it relates to the amounts included in respect of these entities, is based solely ontheir report.

6. Basis for Qualified Conclusion

We draw attention to Note 8 to the Statement which states that the Unaudited Consolidated Financial Results include outstanding receivables of Rs. 710.14 Lakhs as at 30thSeptember 2017 from a jointly controlled entity – SMYR Consortium LLP. In the absence of a balance confirmation from the jointly controlled entity as at 30th September 2017, we are unable to comment on the recoverability of the aforementioned balance and the consequential impact, if any, on the consolidated financial statements.

7. Qualified Conclusion:

Based on our review conducted as above and based on the consideration of the review reports of other auditors referred to in para 5 above, except for the possible effects of the matter described in paragraph 6 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards, i.e., Ind AS prescribed by section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards)Rules, 2015 and other recognized accounting practices and policies has not disclosed the information required to be disclosed, or that it contains any material misstatement.

8. We further draw attention to following matters;

   (i) We draw attention to Note 5 to the Statement, where it is mentioned that one of the subsidiary company has preferred claims with National Highway Authority of India (the Authority), aggregating to Rs. 33,973.75 Lakhs plus interest thereon on account of on account of Toll Evasion and Force Majeure issues arising from non-compliance of the Concession Agreement by Authority. The Company's subsidiary has not recognized the claims in the financial statements pending final approval from Authority. Under the orders of the Hon'ble High Court of Delhi, both the Company and Authority were directed to amicably settle the disputes. As a part of the amicable settlement, Independent Engineer has evaluated the claims made by the Company from time to time. However, final settlement on the same is yet to conclude. The estimated loss during the corresponding period as assessed by the Independent Engineer appointed by the Authority is much higher than the claims submitted to Authority. Hence, the Company's subsidiary has not recognized amount payable to Authority aggregating Rs.Nil during the quarter and half year ended 30 September 2017 (Rs.280 lakhs for the quarter and half year ended 30 September 2016) in addition to the sum of Rs.12,843.19 lakhs for the period from

Pune Office: GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune – 411 038, Phone – 020 – 25280081, Fax – 020 - 25280275
Email – audit@gdaca.com
Mumbai Office: Office No. 83 – 87, 8th Floor, Mittal Tower, B-Wing, Nariman Point, Mumbai – 400 021, Phone – 022 – 4922 0555, Fax – 022 – 4922 0504
Email – chetan.sapre@gdaca.com

1st November 2014 to 31st March 2016. As part of the settlement, the Company, has handed over the Project Facilities and the Toll Plaza's to the NHAI from April 09, 2016. The Settlement of claims will be dealt as per the provisions of the Concession Agreement, and the matter is currently under arbitration and hence no provision for the unpaid amount is considered necessary till September 2017.

(ii) We draw attention to Note 6 of the statements where it is mentioned that one of the Company's subsidiary company handed over its Project to the Authority on 25th August 2016. Consequently, the net provisions relating to major road maintenance amounting Rs. 3,567.21 lakhs (comprising provisions of Rs. 5,455.29 lakhs disclosed as Exceptional item and deferred tax there on amounting Rs. 1,888.08 lakhs included in tax expenses) and the intangible assets amounting to Rs. 64,684.04 lakhs & concession fees payable to the authority amounting to Rs. 75,022.09 lakhs (on which deferred tax amounts to Rs 3,578.00 lakhs) recognized consequent to the transition to Ind AS upto 31st March 2016, were reversed during the quarter ended 30th June 2016 and 30th September 2016 respectively. (This accounting treatment has arisen consequent to the transition to Ind AS and the opinion of the Expert Advisory Committee of the ICAI in this regard is being sought by the company)

The Company believes that there would not be any material claims made by the authority on the subsidiary and therefore no provisions for any costs that may arise have been presently recognized. Further, the subsidiary has lodged claims on account of lesser user fee paid by State Transport buses with the concerned authority on an estimated basis amounting Rs Nil for the quarter ended 30th September, 2017 (Rs. 197.40 lakhs during the quarter and Rs 506.29 during the half year ended 30th September, 2016) which are recorded under 'Revenue from operations'.

Our conclusion is not modified in respect of matters described in Paragraph 8 above.

For G. D. Apte & Co.
Chartered Accountants
Firm registration number: 100515W

Chetan R. Sapre
Partner
Membership No: 116952
Place: Mumbai
Date: 14th November, 2017

Pune Office: GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune – 411 038, Phone – 020 – 25280081, Fax – 020 - 25280275
Email – audit@gdaca.com
Mumbai Office: Office No. 83 – 87, 8th Floor, Mittal Tower, B-Wing, Nariman Point, Mumbai – 400 021, Phone – 022 – 4922 0555, Fax – 022 – 4922 0504
Email – chetan.sapre@gdaca.com

Annexure 'A' to the Limited Review Report on the Unaudited Consolidated Financial Results of MEP Infrastructure Developers Limited for the Quarter and Half Year ended September 30, 2017:

Sr. No.	Company Name
	Subsidiary Companies
1	MEP Infrastructure Private Limited
2	Baramati Tollways Private Ltd
3	Rideema Toll Private Limited
4	Raima Ventures Private Limited
5	Rideema Toll Bridge Private Limited
6	MEP Nagzari Toll Road Private Limited
7	MEP IRDP Solapur Toll Road Private Limited
8	Raima Toll Road Private Limited
9	MEP Chennai Bypass Toll Road Private Limited
10	MEP Highway Solutions Private Limited
11	MEP RGSL Toll Bridge Private Limited
12	Raima Toll & Infrastructure Private Limited
13	MEP Tormato Private Limited
14	MEP Roads & Bridges Private Limited
15	Mhaiskar Toll Road Private Limited
16	MEP Infra Constructions Private Limited
17	MEP Toll & Infrastructure Private Limited
18	MEP Infraprojects Private Limited
19	MEP Hyderabad Bangalore Toll Road Private Limited
20	MEP Foundation
	Jointly Controlled Entities
21	MEP Nagpur Ring Road 1 Private Limited
22	MEP Sanjose Nagpur Ring Road 2 Private Limited
23	MEP SanjoseArawali Kante Road Private Limited
24	MEP Sanjose Kante Waked Road Private Limited
25	MEP SanjoseTalajaMahuva Road Private Limited
26	MEP SanjoseMahuvaKagavadar Road Private Limited
27	KVM Technology Solutions Private Limited

G. D. APTE & CO. Chartered Accountants

MEP INFRASTRUCTURE DEVELOPERS LIMITED

Registered Office: A-412, Boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai - 400072 Web site : www.mepinfra.com

CIN:L45200MH2002PLC136779

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2017

Part I-Statement of Consolidated Unaudited Financial Results for the Quarter and half year ended 30 September 2017

(Rs. In Lakhs except Earning per Share)

Sr No.	Particulars	Quarter Ended			Half year ended		Year Ended
		30.09.2017 (Unaudited)	30.06.2017 (Unaudited)	30.09.2016 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	31.03.2017 (Audited)
1	**Income**						
	a) Revenue from operations	40,907.95	38,007.98	44,739.31	78,915.93	90,846.76	172,906.74
	b) Other income	2,901.21	4,165.11	1,935.42	7,066.32	3,910.27	8,636.84
	Total income from operations	43,809.16	42,173.09	46,674.73	85,982.25	94,757.03	181,543.58
2	**Expenses**						
	a) Operating and Maintenance expenses	19,441.78	17,471.42	8,442.65	36,913.20	16,574.10	32,802.38
	b) Employee benefits expenses	1,784.55	1,553.88	1,834.53	3,338.43	3,784.15	7,335.22
	c) Finance Cost	11,414.80	11,589.90	12,674.79	23,004.70	25,135.52	49,309.04
	d) Depreciation and amortisation expenses (Refer note 4)	7,796.39	9,078.10	23,317.22	16,874.49	47,924.28	86,800.92
	e) Other expenses	1,098.47	846.86	957.95	1,945.33	1,879.03	3,890.36
	Total expenses	41,535.99	40,540.16	47,227.14	82,076.15	95,297.08	180,137.92
3	**Profit/ (Loss) from operations before exceptional items and tax (1-2)**	2,273.17	1,632.93	(552.41)	3,906.10	(540.05)	1,405.66
4	Exceptional Item	-	-	10,338.06	-	15,793.35	15,793.35
5	**Profit / (Loss) before tax (3+4)**	2,273.17	1,632.93	9,785.65	3,906.10	15,253.30	17,199.01
6	**Tax Expenses**						
	(1) Current tax	(428.72)	26.91	(220.21)	(401.81)	(414.30)	(1,057.29)
	(1) Deferred tax	(729.43)	(482.93)	(3,314.45)	(1,212.36)	(5,230.11)	(5,268.06)
7	Net Profit /(Loss) for the period / Year after tax and before Share of Profit/ (Loss) of Associates & Joint Venture (5 - 6)	1,115.02	1,176.91	6,250.99	2,291.93	9,608.89	10,873.66
8	**Share of Profit/(Loss) of associate/ Joint Venture**	(460.11)	119.63	(9.36)	(340.48)	(15.34)	18.84
9	**Net Profit/ (Loss) after Tax (7 + 8)**	654.91	1,296.54	6,241.63	1,951.45	9,593.55	10,892.50
10	**Other Comprehensive Income (OCI)**	(12.13)	(12.16)	(7.45)	(24.29)	(13.43)	(48.17)
11	**Total Comprehensive Income**	642.78	1,284.38	6,234.18	1,927.16	9,580.12	10,844.33
12	Paid-up equity share capital (Face value of Rs 10/- per share)	16,256.92	16,256.92	16,256.92	16,256.92	16,256.92	16,256.92
13	Reserves excluding Revaluation Reserves as at Balance Sheet date	-	-	-	-	-	(17,048.44)
14	Basic and Diluted Earnings Per Share (of Rs. 10 /- each) (not annualised quarters and half year ended)	0.40	0.80	3.84	1.20	5.90	6.70

(See accompanying notes to the financial results)

G. D. APTE & CO. ★ Chartered Accountants ★

MEP INFRASTRUCTURE DEVELOPERS LIMITED ★

MEP INFRASTRUCTURE DEVELOPERS LIMITED

Registered Office: A-412, Boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai - 400072 Web site : www.mepinfra.com

CIN:L45200MH2002PLC136779

PART II Unaudited Statement of Consolidated Assets & Liabilities

	Particulars	As at 30.09.2017 Unaudited	As at 31.03.2017 Audited
		(Rs in Lakhs)	
I	**ASSETS**		
1	**Non-current assets**		
(a)	Property, plant and equipment	5,952.12	5,076.25
(b)	Capital work in progress	4,685.67	2,815.33
(c)	Goodwill on consolidation	2,618.05	2,618.05
	Other Intangible assets	227,429.46	238,777.65
	Investment In Joint Ventures & Associates	20,940.72	14,449.16
(d)	Financial Assets	-	
	(i) Investments	2,191.74	2,176.18
	(ii) Loans	48,463.14	42,674.61
	(iii) Other financial assets	6,550.90	9,005.12
(e)	Deferred tax assets (net)	14,074.16	15,203.24
(f)	Income tax assets	4,993.70	6,550.25
(g)	Other non-current assets	52,681.88	57,676.09
		390,581.54	**397,021.93**
2	**Current assets**		
(a)	Financial Assets		
	(i) Trade Receivables	4,351.91	3,539.73
	(ii) Cash and cash equivalents	24,198.55	3,538.48
	(iii) Bank balance other than (ii) above	6,176.16	10,883.16
	(iv) Loans & Advance	19,870.42	23,452.22
	(v) Others	38,460.86	29,924.15
(b)	Other current assets	33,364.98	21,217.50
		126,422.88	**92,555.24**
	TOTAL ASSETS	**517,004.42**	**489,577.17**
II	**EQUITY AND LIABILITIES**		
1	**Equity**		
(a)	Equity share capital	16,256.92	16,256.92
(b)	Other Equity	(15,704.28)	(17,048.44)
		552.64	**(791.52)**
	Liabilities		
2	**Non-Current Liabilities**		
(a)	Financial Liabilities		
	(i) Borrowings	260,689.32	251,494.80
	(ii) Trade Payables	49,177.24	50,293.93
(b)	Provisions	2,362.29	2,804.19
(c)	Other non-current liabilities	28,344.63	19,480.95
		340,573.48	**324,073.87**
3	**Current liabilities**		
(a)	Financial Liabilities		
	(i) Borrowings	13,114.21	20,118.76
	(ii) Trade payables	82,389.15	82,547.08
	(iii) Other financial liabilities	48,944.30	38,402.55
(b)	Other current liabilities	22,210.49	16,197.88
(c)	Provisions	7,628.46	8,030.93
(d)	Current tax liabilities(Net)	1,591.69	997.62
		175,878.30	**166,294.82**
	TOTAL EQUITY AND LIABILITIES	**517,004.42**	**489,577.17**

G. D. APTE & CO ★ Chartered Accountants ★

MEP INFRASTRUCTURE DEVELOPERS LIMITED ★

Part - III - Consolidated - Segment Reporting

Report on Un-Audited Consolidated Financial Segment Revenue and Segment Results for the Quarter ended and Half Year ended 30 September 2017

		(Rs in Lakhs)					
		Quarter Ended			Half year ended		Year Ended
Sr no.	**Particulars**	**30.09.2017**	**30.06.2017**	**30.09.2016**	**30.09.2017**	**30.09.2016**	**31.03.2017**
		(Unaudited	**(Unaudited**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Audited)**
1	**Segment Revenue**						
	Toll Collection and Operation & maintenance	24,540.94	26,561.76	44,739.31	51,102.70	90,846.76	166,569.84
	Construction	16,367.01	11,446.22	-	27,813.23	-	6,336.90
	Total	**40,907.95**	**38,007.98**	**44,739.31**	**78,915.93**	**90,846.76**	**172,906.74**
2	**Segment result**						
	Toll Collection and Operation & maintenance	7,773.22	7,989.01	10,532.36	15,762.22	21,787.17	45,191.56
	Construction	3,550.71	1,637.71	-	5,188.42		718.11
	Total	**11,323.93**	**9,626.72**	**10,532.36**	**20,950.64**	**21,787.17**	**45,909.67**
	Less: Interest	(11,414.80)	(11,589.90)	(12,674.79)	(23,004.70)	(25,135.52)	(49,309.04)
	other Un-allocable Income net off unallocable expenes	2,364.05	3,596.11	1,590.02	5,960.16	2,808.30	4,805.03
	Exceptional Item	-	-	10,338.06	-	15,793.35	15,793.35
	Total Profit before Tax	**2,273.18**	**1,632.93**	**9,785.65**	**3,906.10**	**15,253.30**	**17,199.01**
	Other Informtion						
3	**Segment assets**						
	Toll Collection and Operation & maintenance	424,337.00	404,911.06	484,651.18	424,337.00	484,651.18	437,130.46
	Construction	92,667.42	77,849.39	-	92,667.42	-	52,446.70
	Unallocated assets		-	-		-	-
	Total Assets	**517,004.42**	**482,760.45**	**484,651.18**	**517,004.42**	**484,651.18**	**489,577.16**
4	**Segment liabilities**						
	Toll Collection and Operation & maintenance	428,461.12	406,655.33	486,509.41	428,461.12	486,509.41	422,034.68
	Construction	87,990.66	75,901.78	-	87,990.66	-	68,334.01
	Unallocated liabilities	-	-	-		-	-
	Total Liabilities	**516,451.78**	**482,557.11**	**486,509.41**	**516,451.78**	**486,509.41**	**490,368.69**

MEP Infrastructure Developers Limited ("the Company") and its subsidiaries (together, 'the Group') have identified business segments in accordance with Indian Accounting Standard 108 "Operating Segment" notified under section 133 of Companies Act 2013, read together with relevant rules issued thereunder. Accordingly, the Group has identified two business segments as mentioned below;

1. Toll Collection and Operation & maintenance
2. Construction

G. D. APTE & CO. Chartered Accountants

Notes to Consolidated Results:

1) The Consolidated Un-Audited Financial Statements for the Quarter and Half Year ended 30 September 2017, have been reviewed and recommended by the Audit Committee and approved and taken on record by the Board of Directors at their respective meetings held on 14 November 2017. The Statutory Auditors have carried out a limited review of the Financial Results for the Quarter and Half Year ended 30 September 2017 and expressed a modified audit opinion thereon.

2) The Consolidated Un-Audited Financial Statements are prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the rules made thereunder and in the format as prescribed under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The financial information presented above is extracted from and is harmonized to conform with the Un-Audited Financial Statements.

3) The Consolidated Un-Audited Financial Results of the Company are available on Company's website i.e. www.mepinfra.com and also on the website of National Stock Exchange of India Limited, www.nseindia.com and the BSE Limited, www.bseindia.com, where the Shares of the Company are listed.

4) The depreciation and amortisation expenses includes amortisation of toll collection rights amounting Rs 16,451.71 lakhs (Rs 47,315.26 lakhs during the half year ended 30 September 2016) for the the half year ended 30 September 2017.

5) One of the Company's subsidiary company has preferred claims with the Authority, aggregating Rs. 33,973.75 lakhs plus interest on account of Toll Evasion and Force Majeure issues arising from non-compliance of the Concession Agreement by Authority. The Company's subsidiary has not recognised the claims in the financial statements pending final approval from Authority. Under the orders of the Hon'ble High Court of Delhi, both the Company and Authority were directed to amicably settle the disputes. As a part of the amicable settlement, Independent Engineer has evaluated the claims made by the Company from time to time. However, final settlement on the same is yet to conclude. The estimated loss during the corresponding period as assessed by the Independent Engineer appointed by the Authority is much higher than the claims submitted to Authority. Hence, the Company's subsidiary has not recognised amount payable to Authority aggregating Rs.Nil during the quarter and half year ended 30 September 2017 (Rs.280 lakhs for the quarter and half year ended 30 September 2016) in addition to the sum of Rs 12,843.19 lakhs for the period from 01 November 2014 to 31 March 2016. As part of the settlement, the Company, has handed over the Project Facilities and the Toll Plaza's to the NHAI from April 09, 2016. The Settlement of claims will be dealt as per the provisions of the Concession Agreement, and the matter is currently under arbitration.

6) One of the Company's subsidiary company handed over Project to the Authority on 25 August 2016. Consequently, the net provisions relating to major road maintenance amounting Rs. 3567.21 lakhs (comprising provisions of Rs. 5455.29 lakhs disclosed as Exceptional item and deferred tax there on amounting Rs. 1888.08 lakhs included in tax expenses) and the intangible assets amounting to Rs. 64,684.04 lakhs & concession fees payable to the authority amounting to Rs. 75,022.09 lakhs (on which deferred tax amounts to Rs 3,578.00 lakhs) recognised consequent to the transition to Ind AS upto 31 March 2016, were reversed during the quarter ended 30 June 2016 and 30 September 2016 respectively. We believe that there would not be any material claims made by the authority on the subsidiary and therefore no provisions for any costs that may arise have been presently recognized . Further, the subsidiary has lodged claims on account of lesser user fee paid by State Transport buses with the concerned authority on an estimated basis amounting Rs Nil for the quarter and half year ended 30 September 2017 (Rs. 197.40 lakhs during the quarter and Rs 506.29 during the half year ended 30 September 2016) which are recorded under 'Revenue from operations'.

7) The Standalone financial results of the Company are as follows; **(Rs in lakhs)**

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Net Sales / Income from operations	21,163.76	18,768.07	19,135.17	39,931.83	37,891.11	78,084.33
Profit before tax	1,384.44	49.57	619.87	1,434.01	1,220.60	2,676.72
Total comprehensive income (after tax)	899.85	312.44	416.93	1,212.29	804.95	1,741.18

8) The Company has a receivable from a jointly controlled entity aggregating to Rs. 710.14 lakhs as at 30 September 2017. The management is confident of recovering the same and hence no provision has been made for the same.

9) Figures relating to the previous year / period have been regrouped / rearranged, wherever necessary, to make them comparable with those of the current period.

For and on behalf of Board of Directors of
MEP INFRASTRUCTURE DEVELOPERS LIMITED

Jayant D. Mhaiskar
Vice Chairman & Managing Director
DIN: 00716351
Place : Mumbai
Date : 14 November 2017

MEP INFRASTRUCTURE DEVELOPERS LIMITED MUMBAI

G. D. APTE & CO. Chartered Accountants

gokhale & sathe
(regd.)
chartered accountants
308/309, udyog mandir no. 1,
7-c, bhagoji keer marg,
mahim, mumbai 400 016

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MEP INFRASTRUCTURE DEVELOPERS LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of MEP Infrastructure Developers Limited (hereinafter referred to as "the Holding Company") (formerly MEP Infrastructure Developers Private Limited) its subsidiaries its associate company and jointly controlled entities, (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the consolidated statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate company and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associate company and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

tel.: (22) 43 48 42 42 | fax : (22) 43 48 42 41 | office@gokhalesathe.in

completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's responsibility

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

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

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

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

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

Basis for Modified Opinion

As referred to in Note 47A to the Consolidated Ind AS Financial Statements which states that the Consolidated Ind AS Financial Statements do not include the financial information of one joint venture, since the financial statements of this entity for the year ended 31st March 2017 are not available with the company. Further the financial statements of this entity for the year ended 31st

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

March 2016 were unaudited and based on the financial information certified by the company's Management. Consequently, we were unable to determine whether any adjustments were necessary to the consolidated Ind AS Financial Statements as at and for the year ended 31st March 2017.

Modified Opinion

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

Emphasis of Matter

a) We draw attention to Note 44 of the consolidated financial statements dealing with non-recognition of contractual obligations to pay to National Highway Authority of India ('NHAI') a sum of Rs.280 lakhs for the year ended 31 March 2017 in addition to the sum of Rs.12,843.19 lakhs for the period from 1 November 2014 to 31 March 2016 by one of the subsidiary companies. The approval by NHAI of the claims made by the company, based on the assessment of the Independent Engineer appointed by it, is pending and hence no provision for the unpaid amount is considered necessary.

b) We draw attention to Note 14(a) of the consolidated financial statements where it is mentioned that one of the subsidiary companies has lodged claims of Rs 506.97 lakhs (previous year: Rs 2,197.53 lakhs) with the National Highway Authority of India (NHAI) on an estimated basis and has recognized claims receivable amounting to Rs 5,607.47 lakhs for the financial year ended 31 March 2017 (previous year Rs 5100.50 lakhs) which is disclosed under" Revenue from Operations" (note no.27) and claims receivable under " Other Current Financial Assets" (note no.14).

c) We draw attention to Note 45 of the consolidated Ind AS Financial Statements which states the one of the Subsidiary companies, Raima Toll Road Private Limited has handed over the toll to the concerned Authority on 25th August 2016. Consequently, the provisions for major road maintenance amounting to Rs.5,455.29 lakhs (on which deferred tax amounts to Rs.1,888.08 lakhs) and the intangible assets amounting to Rs.64,684.04 lakhs and concession fees payable to

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

the authority amounting to Rs.75,022.09 lakhs(on which deferred tax amounts to Rs.3,578.00 lakhs) recognized consequent to the transition to Ind AS upto the previous financial year have been reversed during the period ended 30th June 2016 and 30th September 2016 and have been disclosed as 'Exceptional Items' in the statement. This accounting treatment has arisen consequent to the transition to Ind AS and the opinion of the Expert Advisory Committee of the ICAI in this regard is being sought by the company. The Company's Management believes that there would not be any material claims made by the authority on the subsidiary and therefore no provisions for any costs that may arise have been presently recognized. Further, the subsidiary has lodged claims with the concerned authority on an estimated basis amounting to Rs. 506.29 lakhs for the year ended 31st March 2017 (previous year Rs. 2,197.53 lakhs) which are recorded under ''Revenue from Operations'' in the Statement.

Our opinion is not modified in respect of the above matters.

Report on other Legal and Regulatory Requirements

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

a) We have sought and except for the possible effects of the matter described in the Basis for Modified Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financials Statements.

b) In our opinion, except for the effects of the matter described in the Basis for Modified Opinion paragraph above, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Ind AS Financials Statements have been kept by the company so far as appears from our examination of those books.

c) The consolidated balance sheet, consolidated statement of profit and loss, consolidated cash flow statement and the consolidated statement of changes in equity dealt with by this report are in agreement with the books of account.

d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

e) On the basis of written representations received from the directors of the Holding Company, its subsidiaries, its associate company and jointly controlled entities as on 31 March, 2017, taken on record by the respective Board of Directors, none of the directors of the Group Companies and jointly controlled entities are disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Group companies and associate company and jontly controlled entities and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

g) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Modified opinion paragraph above.

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

   i. The consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate company and jointly controlled entities as per information and explanation provided by the company's Management-Refer Note 39 to the consolidated Ind AS Financial Statements.

   ii. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the Group and its associate company and jointly controlled entities did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

   iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Holding company its subsidiary companies, associate company and jointly controlled entities.

GOKHALE & SATHE ★ MUMBAI ★ FIRM No. 103264W CHARTERED ACCOUNTANTS

iv. The company has provided requisite disclosures in its Consolidated Ind AS Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016. However, we were unable to obtain sufficient and appropriate evidence to support the information produced to us by the management. Refer Note 48.

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

Vyavaharkar

GOKHALE & SATHE ★ MUMBAI ★ FIRM No. 103264W CHARTERED ACCOUNTANTS

CA Yatin Vyavaharkar
Partner
Membership No. 033915
Place: Mumbai
Date: 25th May 2017

ANNEXURE A

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

We have audited the Internal financial controls over financial reporting of MEP INFRASTRUCTURE DEVELOPERS LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Holding Company, its subsidiary companies, associate company and jointly controlled entities, incorporated in India as of that date, except for one jointly controlled entity whose financial and other information was not available for the year ended on 31st March 2017.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

Opinion

The audited financial statements with regard to one of the jointly controlled entities of the Holding Company were not made available to us to enable us to determine if the jointly controlled entity has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at 31 March 2017.

In our opinion, except for the possible effects of the matter described above, the Holding Company, its subsidiary companies, its associate company and jointly controlled entity, which are companies incorporated in India, the respective Board of Directors of the Holding company, its subsidiary companies, its associate company and jointly controlled entities have , in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the matter described and reported above in determining the nature, timing and extent of audit tests applied in our audit of the 31 March 2017 consolidated Ind AS financial statements of the Company, and this matter has affected our audit opinion on the consolidated Ind AS financial statements of the Company and we have issued a modified opinion on the consolidated Ind AS financial statements.

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

Vyavaharkar

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

C.A. Yatin Vyavaharkar
Partner
Membership No. 033915
Place: Mumbai
Date: 25th May 2017

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in Lakhs)

Consolidated Balance Sheet as at March 31, 2017

	Notes	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non current assets				
Property, Plant and Equipment	2	**5,076.25**	6,091 53	2,833 47
Capital work-in-progress	2	**2,815.33**	666 72	1,626 84
Goodwill on consolidation	3	**2,618.05**	2,652 04	2,652 04
Other Intangible assets	3	**238,777.65**	350,038 01	393,155 24
Investment In Joint Ventures & Associates	4	**14,449.16**	-	-
Financial Assets				
i Investments	5	**2,176.18**	2,166 22	2,161 21
ii Loans	6	**48,983.61**	51,221 02	49,773 53
iii Other financial assets	7	**2,696.12**	4,302 89	3,872 62
Deferred tax assets (net)	8(iv)	**15,203.24**	20,451 39	15,811 80
Income tax asset		**6,550.25**	2,381 92	2,737 90
Other non current assets	9	**57,676.09**	45,405 50	40,694 57
Total non current assets		**397,021.93**	485,377 24	515,319 22
Current assets				
Financial Assets				
i Investments	10	-	-	1,063 30
ii Trade receivables	11	**3,539.73**	17 27	2,582 75
iii Cash and cash equivalents	12(i)	**3,538.48**	5,529 59	4,911 11
iv Bank balances other than (iii) above	12(ii)	**10,883.16**	9,366 00	8,570 34
v Loans	13	**23,452.22**	8,438 05	5,408 10
vi Other financial assets	14	**29,924.15**	15,089 78	8,407 49
Other current assets	15	**21,217.50**	19,636 42	13,172 49
Total current assets		**92,555.24**	58,077 11	44,115 58
Total Assets		**489,577.17**	543,454 35	559,434 80
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	16	**16,256.92**	16,256 92	11,149 43
Other Equity	17	**(17,048.44)**	(27,501 37)	(49,043 10)
Total Equity		**(791.52)**	(11,244 45)	(37,893 67)
Liabilities				
Non current liabilities				
Financial liabilities				
i Borrowings	18	**251,494.80**	263,871 85	293,511 56
ii Trade Payables	19	**50,293.93**	71,375 63	140,427 84
Deferred tax liabilities[net]	8(v)	-	3 45	20 50
Provisions	20	**2,804.19**	12,279 51	8,328 65
Other non-current liabilities	21	**19,480.95**	-	-
Total non current liabilities		**324,073.87**	347,530 44	442,288 55
Current liabilities				
Financial liabilities				
i Borrowings	22	**20,118.76**	24,612 16	20,698 72
ii Trade payables	23	**82,547.08**	157,326 92	106,513 57
iii Other financial liabilities	24	**38,402.55**	21,760 96	25,520 85
Other current liabilities	25	**16,197.88**	1,343 29	1,656 51
Provisions	26	**8,030.93**	2,125 02	650 27
Current Tax Liability		**997.62**	-	-
Total current liabilities		**166,294.82**	207,168 35	155,039 92
Total liabilities		**490,368.69**	554,698 79	597,328 47
Total Equity and Liabilities		**489,577.17**	543,454.35	559,434 80

Significant Accounting Policies 1
Notes to the Consolidated financial statements 2-48
The notes referred to above form an integral part of the Consolidated financial statements

As per our report of even date attached
For **Gokhale & Sathe**
Chartered Accountants
Firm Registration Number: 103264W

Vyavaharkar

Yatin R. Vyavaharkar
Partner
Membership Number:033915

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 25th May 2017

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

Jonkhaihay

Jayant D. Mhaiskar
Managing Director
(DIN: 00716351)

Anuya J. Mhaiskar
Director
(DIN: 00707650)

M. Sankaranarayanan
Chief Financial Officer

H Pusalkar

Harshad Pusalkar
Company Secretary

Place: Mumbai
Date: 25th May 2017

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in Lakhs)

Consolidated Statement of Profit and Loss for the year ended March 31, 2017

		Note	For the year ended March 31, 2017	For the year ended March 31, 2016
I	Revenue from operations	27	**172,906.74**	190,519.27
II	Other income	28	**8,636.84**	7,569.54
III	**Total Income (I + II)**		**181,543.58**	198,088.81
IV	**Expenses**			
	Operating and maintenance expenses	28	**32,802.38**	26,001.03
	Employee Benefits Expenses	29	**7,335.22**	7,443.35
	Finance costs	30	**49,309.04**	64,218.79
	Depreciation and amortisation expense	2&3	**86,800.92**	101,218.70
	Other expense	31	**3,890.36**	3,995.41
	Total Expenses (IV)		**180,137.92**	202,877.28
V	**Profit/(loss) before exceptional items, share of net profits of investment accounted fpr using equity method and tax**		**1,405.66**	(4,788.47)
VI	**Share of profit / (Loss) in Joint Venture and Associates accounted for using the equity method (net of tax)**		**18.84**	(445.76)
VII	**Profit/(loss) before exceptional item and tax**		**1,424.50**	(5,234.23)
VIII	**Exceptional Items (net)** (Refer note no. 45)		**15,793.35**	-
IX	**Profit/(loss) before tax**		**17,217.85**	(5,234.23)
X	**Income Tax expense**	8(i)		
	Current tax			
	For current year		**1,073.59**	3,310.36
	For previous year		**(16.30)**	(242.25)
	Deferred tax		**5,268.06**	(4,643.74)
	Total tax expense		**6,325.35**	(1,575.63)
XI	**Profit from continuing operations (V-VI)**		**10,892.50**	(3,658.60)
XII	**Other Comprehensive Income/(loss) from continued operations**			
A	(i) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit obligations		**(71.52)**	(38.95)
	(ii) Income tax relating to above items that will not be reclassified to profit or loss		**23.35**	12.89
XI	**Other Comprehensive Income/(loss) from continued operations (Net of tax)**		**(48.17)**	(26.06)
XII	**Total Comprehensive Income/(loss) from continued operations (X+XI) (Comprising Profit and Other Comprehensive Income for the period)**		**10,844.33**	(3,684.66)
	Earnings per equity share (in Rs.)			
	Basic earnings per share		**6.70**	(2.31)
	Diluted earnings per share		**6.70**	(2.31)

Significant Accounting Policies 1
Notes to the Consolidated financial statements 2-48
The notes referred to above form an integral part of the Consolidated financial statements
As per our report of even date attached

For Gokhale & Sathe
Chartered Accountants
Firm Registration Number: 103264W

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

Yatin R. Vyavaharkar
Partner
Membership Number:033915

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

Jayant D. Mhaiskar
Managing Director
(DIN: 00716351)

Anuya J. Mhaiskar
Director
(DIN: 00707650)

M. Sankaranarayanan
Chief Financial Officer

Harshad Pusalkar
Company Secretary

Place: Mumbai
Date: 25th May 2017

Place: Mumbai
Date: 25th May 2017

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Statement of Consolidated Cash Flow for the year ended March 31, 2017

	For the year ended March 31, 2017	For the year ended March 31, 2016
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	**17,217.85**	(5,234.23)
Adjustments for:		
Goodwill impairment	**33.99**	
Depreciation and amortisation	**86,800.92**	101,218.70
Liabilities/provisions no longer required written back	**(1,429.98)**	(2.95)
Profit on Property Plant and Equipment sold (Net)	**88.14**	(2.82)
Dividend income	**(3.99)**	(21.73)
Finance costs	**49,309.04**	64,218.79
Exceptional Item	**(15,793.35)**	
Upfront Processing Fees	**(103.28)**	
Interest income	**(2,373.57)**	(2,651.70)
Interest income from related parties	**(4,753.96)**	(4,750.36)
Share in Profits of Joint Ventures	**(18.84)**	445.76
Remeasurement of net defined benefit obligations	**(71.52)**	(38.95)
Operating profit before working capital changes	**128,901.45**	153,180.51
Adjustments for changes in working capital:		
(Increase)/Decrease in trade receivables	**(3,522.46)**	2,565.48
(Increase)/Decrease in non-current financial assets - loans	**(6,359.64)**	397.82
(Increase)/Decrease in non-current financial assets - others	**199.45**	(181.38)
(Increase)/Decrease in current financial assets - loans	**(15,003.85)**	(407.95)
(Increase)/Decrease in current financial assets - others	**(12,152.93)**	(5,762.27)
(Increase)/Decrease in other non current assets	**(16,985.81)**	781.93
(Increase)/Decrease in other current assets	**(1,581.08)**	(7,064.89)
Increase/(Decrease) in non-current financial liabilities - others	**(21,081.69)**	(69,052.21)
Increase/(Decrease) in trade payables	**(49,836.39)**	(31,093.24)
Increase/(Decrease) in current financial liabilities - other	**-**	160.01
Increase/(Decrease) in short term provisions	**4,444.86**	1,477.70
Increase/(Decrease) in long term provisions	**7,335.89**	3,279.05
Increase/(Decrease) in other non-current liabilities	**(4,574.31)**	
Increase/(Decrease) in other current liabilities	**19,480.95**	(313.21)
Cash generated from operations	**(84,781.18)**	(105,213.16)
Income tax paid	**(4,229.32)**	(2,712.13)
Net cash generated from operating activities	**39,890.95**	45,255.22
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property Plant and Equipment including capital advances	**930.47**	(8,885.31)
Sale of Property Plant and Equipment	**1,255.34**	7.99
Dividend received	**3.99**	21.73
Sale of investments		1,063.30
Purchase of investments	**(9.96)**	(5.00)
Investment in fixed deposits	**(6,593.11)**	(10,815.05)
Redemption / maturity of fixed deposits	**6,365.67**	9,887.32
Interest received	**5,460.13**	2,406.96
Loans given	**7,691.13**	(949.83)
Purchase of investment in joint ventures	**(14,413.08)**	(5.01)
Net cash (used in) investing activities	**690.58**	(7,272.90)
CASH FLOW FROM FINANCING ACTIVITIES:		
Dividend distribution tax	**(66.20)**	
Proceeds from issue of share capital		5,107.49
Proceeds from borrowings	**44,516.36**	19,052.42
Repayment of borrowings	**(54,270.61)**	(45,457.13)
Proceeds from issue of share capital (including securities premium)		27,292.51
Interest paid	**(32,427.05)**	(41,893.98)
Dividend paid	**(325.14)**	(196.59)
Share issue expense		(1,268.56)
Net cash generated from/(used in) financing activities	**(42,572.64)**	(37,363.84)
Net Increase/(Decrease) in cash and cash equivalents	**(1,991.11)**	618.48
Cash and cash equivalents as at the beginning of the year	**5,529.59**	4,911.11
Less:- Decrease in cash and cash equivalents pursuant to scheme of Arrangement		
Cash and cash equivalents as at the end of the year	**3,538.48**	5,529.59

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in Lakhs)

Statement of Consolidated Cash Flow for the year ended March 31, 2017 (continued)

Cash and cash equivalents includes:

	For the year ended March 31, 2017	For the year ended March 31, 2016
Cash and cash equivalents		
Cash on hand	**1,188.90**	3,620.76
Bank balances		
In current accounts	**1,414.18**	1,835.60
Unclaimed Dividend	**0.35**	
Demand deposits (less than 3 months maturity)	**935.05**	73.23
	3,538.48	5,529.59

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

2. Figures in bracket indicate cash outflow

The notes referred to above form an integral part of the Consolidated financial statements

As per our report of even date attached

For Gokhale & Sathe
Chartered Accountants
Firm Registration Number: 103264W

Yatin R. Vyavaharkar
Partner
Membership Number:033915

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 25th May 2017

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

Jayant D. Mhaiskar
Managing Director
(DIN: 00716351)

Anuya J. Mhaiskar
Director
(DIN: 00707650)

M. Sankaranarayanan
Chief Financial Officer

Harshad Pusalkar
Company Secretary

Place: Mumbai
Date: 25th May 2017

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements

Statement of Changes in Equity

A. Equity Share Capital

Particulars	**Amount**
Balance as at April 1, 2015	**11,149.43**
Changes in equity share capital during the year	5,107.49
Balance as at March 31, 2016	**16,256.92**
Changes in equity share capital during the year	-
Balance as at March 31, 2017	**16,256.92**

B. Other Equity **Attributable to owners of MEP Infrastructure Developers Limited**

Particulars	Reserves and Surplus			Total
	Securities Premium	Retained earnings/ (accumulated deficit)	Capital reserves	
Balance as at April 1, 2015	**1,350.58**	**(50,395.60)**	**1.92**	**(49,043.10)**
Received during the year	27,292.51	-	-	**27,292.51**
Profit for the year	-	(3,658.60)	-	**(3,658.60)**
Less: Share issue expense	(1,869.53)	-	-	**(1,869.53)**
Other comprehensive income	-	(26.06)	-	**(26.06)**
Interim equity dividend	-	(162.57)	-	**(162.57)**
Dividend distribution tax	-	(34.02)	-	**(34.02)**
Balance as at March 31, 2016	**26,773.56**	**(54,276.85)**	**1.92**	**(27,501.37)**
Addition/Reduction during the year	-	-	-	-
Profit for the year	-	10,892.50	-	**10,892.50**
Transfer to statutory reserves	-		-	-
Proposed Dividend Paid	-	(162.57)	-	**(162.57)**
Other comprehensive income	-	(48.17)	-	**(48.17)**
Interim equity dividend	-	(162.57)	-	**(162.57)**
Dividend distribution tax	-	(66.20)	-	**(66.20)**
Balance at March 31, 2017	**26,773.56**	**(43,823.92)**	**1.92**	**(17,048.44)**

The above statement of changes in equity should be read in conjunction with the accompanying notes. (Refer note 16 and 17)

For Gokhale & Sathe
Chartered Accountants
Firm Registration Number: 103264W

Yatin R. Vyavaharkar
Partner
Membership Number:033915

Place: Mumbai
Date: 25th May 2017

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

Jayant D. Mhaiskar
Managing Director
(DIN: 00716351)

Anuya J. Mhaiskar
Director
(DIN: 00707650)

M. Sankaranarayanan
Chief Financial Officer

Harshad Pusalkar
Company Secretary

Place: Mumbai
Date: 25th May 2017

MEP Infrastructure Developers Limited

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 1

1 General information

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

The Company's equity shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) with effect from 6 May, 2015. The Company, its subsidaries, associates and jointly controlled entities (collectively refered to as ' the Group') are into the business of collection of toll and construction of roads along with other ancilliary activities such as road repairs and maintenance of flyovers, roads and allied structures.

These consolidated financial statements comprise the Company and its subsidiaries (collectively the 'Group' and individually 'Group companies').

2 Basis of preparation

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

These financial statements for the year ended 31 March 2017 are the first year the company has prepared in accordance with Ind AS and are covered by Ind AS 101, First-time adoption of Indian Accounting Standards. For all periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101. An explanation of how the transition to Ind AS has affected the Company's equity and its net profit is provided in Note 1A

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS. The financial statements of the Holding Company, its subsidiaries, joint ventures and associates have been consolidated using uniform accounting policies

Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:
- certain financial assets and liabilities that is measured at fair value;
- assets held for sale – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value; and

Current and Non-current classification

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

3 Functional and presentation currency

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

4 Critical accounting judgements and key sources of estimation uncertainty

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

a) Determining extent of control

The assessment as to whether the Group exercises control, joint control or significant influence over the companies in which it holds less than 100 percent voting rights.

The Group makes assumptions, when assessing whether it exercises control, joint control or significant influence over companies in which it holds less than 100 percent of the voting rights. These assumptions are made based on the contractual rights with the other shareholders, relevant facts and circumstances which indicate that the Group has power over the potential subsidiary or that joint control exists. Changes to contractual arrangements or facts and circumstances are monitored and are evaluated to determine whether they have a potential impact on the assessment as to whether the Group is exercising control over its investment.

b) Property, plant and equipment :

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

c) Recognition and measurement of defined benefit obligations :

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

d) Recognition of deferred tax assets :

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

e) Recognition and measurement of other provisions :

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

g) Discounting of long-term financial instruments :

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

5 Measurement of fair values

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

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

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

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

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

Statement of significant accounting policies

I) Basis of consolidation

i) Business combinations

Business combinations (Other than common control business combinations) on or after 1 April 2015

Upon first-time adoption of Ind AS, the Group has elected to measure its investments in subsidiaries at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2015.

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in equity under the head 'Capital reserve'. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Principles of Consolidation

a) The consolidated financial statements of the Company and its subsidiaries are combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-Group balances and intra-Group transactions and resultant unrealized profits or losses, net of deferred tax in accordance with the Indian Accounting Standard - 110 'Consolidated Financial Statements'.

b) The difference between the proceeds from disposal of investment in a subsidiary and the proportionate carrying amount of its assets less liabilities as of the date of disposal is recognised in the Consolidated Statement of Profit and Loss as the profit or loss on disposal of investments in subsidiaries.

c) Non Controlling Interest's share of net profit of consolidated subsidiaries for the period is identified and adjusted against the income of the Group in order to arrive at the net income attributable to the equity shareholders of the Company.
Non-controlling interest's share of the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet as a separate item from liabilities and the shareholder's equity."

d) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's stand alone financial statements.

e) The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements. The 'Goodwill' / 'Capital Reserve' is determined separately for each subsidiary company and such amounts are not set off between different entities.

f) Changes in ownership interests: The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. The share of non-controlling interest is restricted to the extent of contractual obligation of the Group.
When the Group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

iii) Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in Other Comprehensive Income of those investees is presented as part of the Group's Other Comprehensive Income.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its joint ventures and associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The financial statements of the subsidiaries, joint ventures and associates used for purpose of consolidation are drawn upto the same reporting date as that of the parent company i.e. year ending 31st March.

iv) List of Subsidiaries/Associates/ Jointly Controlled Entities

Name of the company	Place of Incorporation	Principal activities	% holding as on 31 March, 2017	% holding as on 31 March, 2016	% holding as on 1 April 2015
Parent Company					
MEP Infrastructure Developers Limited	India	Toll collection, construction of road, repair and maintenance services	-	-	-
Direct Subsidiaries					
MEP Infrastructure Private Limited	India	Toll collection, road repair and maintenance of structures, flyovers, etc	99 99%	99 99%	99 99%
Raima Ventures Private Limited	India	Collection of toll	100%	100%	100%
Rideema Toll Private Limited	India	Collection of toll	100%	100%	100%
Rideema Toll Bridge Private Limited	India	Collection of toll	100%	100%	100%
MEP Nagzari Toll Road Private Limited	India	Operation, Maintenance and Collection of toll	100%	100%	100%
MEP IRDP Solapur Toll Road Private Limited India	India	Collection of toll	100%	100%	100%
MEP Hyderabad Bangalore Toll Road Private Limited	India	Operation, Maintenance and Collection of toll	99 99%	99 99%	98 90%
Raima Toll Road Private Limited	India	Operation, Maintenance and Collection of toll	100%	100%	100%
MEP Chennai Bypass Toll Road Private Limited	India	Operation, Maintenance and Collection of toll	100%	100%	100%
MEP Highway Solutions Private Limited	India	Construction and maintenance activities	100%	100%	100%
MEP RGSL Toll Bridge Private Limited	India	Operation, Maintenance and Collection of toll	100%	100%	100%
Raima Toll and Infrastructure Private Limited	India	Collection of toll	100%	100%	100%
MEP Roads & Bridges Private Limited	India	Collection of toll	100%	100%	100%
Mhaiskar Toll Road Private Limited	India	Collection of toll	100%	100%	100%
MEP Infra Constructions Private Limited	India	Collection of toll	100%	100%	100%
MEP Toll & Infrastructure Private Limited	India	Collection of toll	100%	100%	100%
MEP Tormato Private Limited	India	Installation of toll equipment, Cameras, weigh bridges etc	100%	100%	100%
MEP Infraprojects Private Limited	India	Collection of toll	100%	100%	100%
MEP Foundation Private Limited	India	Corporate Social Responsibility	100%	-	-
Indirect Subsidiaries					
Subsidiaries of :					
Rideema Toll Private Limited					
Baramati Tollways Private Limited	India	Maintenance and collection of toll for, the Ring Road and bridges in Baramati on a BOT basis	99 99%	99 99%	99 99%
Associates:					
KVM Technology Solutions Private Limited		Installation of toll equipment	33%	33%	33%
Jointly Controlled Entities:					
SMYR Consortium LLP*		Collection of toll	25%	25%	
MEP Nagpur Ring Road 1 Pvt Ltd		Construction and Maintenance of Roads	74%	-	-
MEP Sanjose Arawali Kante Road Pvt Ltd		Construction and Maintenance of Roads	74%	-	-
MEP Sanjose Kante Waked Road Pvt Ltd		Construction and Maintenance of Roads	74%	-	-
MEP Sanjose Mahuva Kagavadar Road Pvt Ltd		Construction and Maintenance of Roads	60%	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt Ltd		Construction and Maintenance of Roads	74%	-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd		Construction and Maintenance of Roads	60%	-	-

Note: The Company does not have any partial interest in any entity which is material for consolidation purposes

*The Company has considered the unaudited financial information of one jointly controlled entity in the consolidated financial statements

MEP Infrastructure Developers Limited

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017 (continued)

II) Property, Plant and Equipment

i) Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises
a) the purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.,
b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and
c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.
Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.
If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest if any.

ii) Transition to IND AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April1, 2015 measured as per the Previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

iv) Depreciation / amortization

Depreciation is provided on a pro-rata basis on the written down value method over the estimated useful life of the assets. Depreciation on addition/deletion of fixed assets during the year is provided on pro-rata basis from / to the date of addition/deletion. Fixed assets costing up to ` 5,000 individually are fully depreciated in the year of purchase.
Useful life of the asset is taken, as specified in Schedule II of the Companies Act, 2013

v) Impairment of fixed assets

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

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

The recoverable amount is the greater of the asset's fair value less cost of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent that the carrying amount after such reversal does not exceed the carrying amount that would have been determined had there been no impairment. In case of revalued assets such reversal is not recognized.

IV) Intangible assets

Goodwill on consolidation

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.
Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments

Toll Collection Rights

Recognition and Measurement

Toll collection rights are stated at cost, less accumulated amortisation and impairment losses. Cost includes:
Contractual Upfront / monthly /fornightly payments towards acquisition.

Amortisation

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

V) Borrowing Cost

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

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

VI) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial Assets

i) Classification

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

ii) Initial recognition and measurement

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

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instruments at FVOCI

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

a) The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets , and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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

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

In addition, the Group may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

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

iii) Equity investments

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

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

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

iv) Derecognition

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

a) The rights to receive cash flows from the asset have expired, or

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

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

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

v) Impairment of financial assets

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

Financial liabilities

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

i) Classification

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

ii) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

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

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

iii) Derecognition

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

Offsetting of financial instruments

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

VII) Leases

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

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

VIII) Trade Receivables:

Trade receivables are amounts due from customers and related parties from the rendering of services in the ordinary course of business. Trade receivables are recognised initially at fair value except for short-term receivable where the recognition of interest is immaterial and subsequently measured at amortised cost using effective interest method less an allowance for impairment. An estimate for impairment is made when collection of the entire amount is no longer probable or when payments are delayed. The Company maintains an allowance for impairment to provide for impairment of trade receivables. Impairment allowances and related trade receivables are written off when determined as not collectable

Non derivative financial assets- service concession arrangements

The Group recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or other financial asset from the grantor of the concession for the construction or upgrade service provided.

Such financial assets are measured at fair value upon initial recognition and classified as trade receivables. Subsequent to initial recognition, such assets are measure amortized cost

IX) Inventories:

Construction materials, components, stores, spares and tools

They are valued at lower of cost and net realisable value. Cost is determined on first in first out basis and comprise all cost of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Work-in-progress and finished goods

They are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of overheads based on normal operating capacity. Cost is determined on weighted average basis. Net realisable value is the estimated contract price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to complete the contract.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Incase if any payment for inventory is deferred beyond normal credit terms then cost is determined by discounting the future cash flows at an interest rate determined with reference to market rates. The difference between the total cost and the deemed cost in such cases are recognised as interest expense over the period of financing under the effective interest method.

X) Cash and cash equivalents

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

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

XIV) Provisions, contingent liabilities and contingent assets

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

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

XI) Revenue recognition

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

Toll collection

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

Revenue from EPC Contracts with Joint ventures:

The company has entered into Engineering, Procurement and Construction (EPC) Contracts with its joint ventures for providing road construction and maintenance services to them. Income from this service is recognised when invoices are raised to the joint ventures. Company is entitled to raise bills for the portion of work completed as per the pattern indicated in the Billing Schedule for each Milestone Event mentioned in the EPC agreement.

Road repair and maintenance

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

Other income

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

Revenue from Service concession Agreements

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

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

XII) Retirement and other employee benefits

i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Post Employment Employee Benefits

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

Defined contribution plans

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

Defined benefit plans

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, This amount is discounted to determine its present value.
The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

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

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

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

XIII) Income taxes

Tax expense comprises of current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other Comprehensive Income.
Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used

Deferred tax assets and liabilities are offset only if:
a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.The tax effect is calculated on the accumulated timing differences at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Minimum alternate tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

XVI) Earnings Per Share

Basic earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

XV) Recent Accounting Pronouncements

i) Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, Statement of Cash Flows and Ind AS 102, Share-Based Payment. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to Ind AS 7, Statement of Cash Flows and IFRS 2, Share-Based Payments, respectively. The amendments are applicable to the Group from April 1, 2017.

Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.
The Group had evaluated the disclosure requirements of the amendment and the effect on the Consolidated Financial Statements is not expected to be material.

Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance for the measurement of the cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.
It clarifies that the fair value of the cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values' but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transactions are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirely. The cash payment to the tax authority is treated as if it was part of an equity settlement.
The Group does not have share-based payments and hence no impact on financial statements.

MEP Infrastructure Developers Limited

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 1A
First-time adoption of Ind AS

First-time adoption of Ind AS

The accounting policy set out in Note 1, have been applied in preparing the consolidated Ind AS financial statements for the year ended 31 March 2017, 2016 and Opening Balance Sheet, i.e. 1 April 2015

An explanation of how the transition from Indian GAAP to Ind AS has affected the Group's Consolidated Financial Information is set out in the following tables and notes.

Exemptions applied :
Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS as at the transition date, i.e. April 1, 2015.

Ind AS optional exemptions

i. Deemed cost: The Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as on transition date measured as per the previous GAAP and use that carrying value as deemed cost.

ii. Business combinations: Business combinations were not restated retrospectively in accordance with Ind AS 103, Business Combinations. The carrying amounts of assets acquired and liabilities assumed as part of past business combinations as well as the amounts of goodwill that arose from such transactions as they were determined under the Previous GAAP are considered their deemed cost under Ind AS at the date of transition. The Group has applied same exemption for investment in associates and joint ventures.

iii. Joint ventures – transition from proportionate consolidation to the equity method:
The Group has 33% interest in KVM Technology Solutions Private Limited and exercises joint control on them. Under Indian GAAP, the Group had proportionately consolidated its interest in this company in the consolidated financial statements. On the date of transition, the Group has accounted for its interest in this company using the equity method as against proportionate consolidation. For the application of equity method, the initial investment is measured as the aggregate of Ind AS amounts of assets and liabilities that the Group had previously proportionately consolidated.

The following mandatory exceptions have been applied in accordance with Ind AS 101:

i. Derecognition of financial assets and financial liabilities: The Group has opted to apply the exemption available under Ind AS 101 to apply the derecognition criteria of Ind AS 109 prospectively for the transactions occurring on or after the date of transition to Ind AS.

ii. **Estimates:** Upon an assessment of the estimates made under Previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS.

iii. Classification and measurement of financial assets: The Group has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist on the date of transition to Ind AS.

iv. **Non-Controlling Interest:**
Ind AS 101 permits a first-time adopter to apply the following requirements of Ind AS 110 prospectively from the date of transition to Ind AS:
(i) the requirement that total comprehensive income should be attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
(ii) the requirement that do not result in a loss of control, i.e., considering such a change as an equity transaction (transaction with owners in their capacity as owners) to be accounted for accordingly.

The Group has applied the requirement of Ind AS 101 prospectively from April 1, 2015.

Reconciliations:

Ind AS 101 requires the Group to reconcile equity, total comprehensive income and cash flows for prior periods. The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101

– Reconciliation of Equity as at April 1, 2015 and as at March 31,2016
– Reconciliation of Statement of Profit and Loss for the years ended March, 2016
– Explanation of material adjustments to cash flow statements

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 1A (continued..)
Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at March 31, 2016

	Notes to first-time adoption	IGAAP	Effects of Transition to Ind AS	Ind AS
ASSETS				
Non current assets				
Property, Plant and Equipment	12	6,145.68	(54.15)	6,091.53
Capital work-in-progress		666.72	-	666.72
Goodwill on consolidation		2,652.04	-	2,652.04
Other Intangible assets	8	194,135.03	155,902.98	350,038.01
Financial Assets				
i. Investments		2,166.22	-	2,166.22
ii. Loans	5,6,7,12 and 12	41,950.97	9,270.05	51,221.02
iii Other financial assets		4,302.89	-	4,302.89
Deferred tax assets (net)	10 and 11	10,699.30	9,752.09	20,451.39
Income tax asset	11	2,748.32	(366.40)	2,381.92
Other non current assets	5 and 7	44,943.41	462.09	45,405.50
Total non current assets		**310,410.58**	**174,966.66**	**485,377.24**
Current assets				
Financial Assets				
i. Trade receivables		17.27	-	17.27
ii. Cash and cash equivalents	9 and 12	5,618.64	(89.05)	5,529.59
iii Bank balances other than (iii) above		9,366.00	-	9,366.00
iv Loans	12	8,438.05	(0.00)	8,438.05
v. Other financial assets	12	15,253.76	(163.97)	15,089.78
Other current assets	5, 7, 9 and 12	19,565.89	70.53	19,636.42
Total current assets		**58,259.61**	**(182.50)**	**58,077.11**
Total Assets		**368,670.19**	**174,784.16**	**543,454.35**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital		16,256.92	-	16,256.92
Other Equity		(6,130.52)	(21,370.85)	(27,501.37)
Total Equity		**10,126.40**	**(21,370.85)**	**(11,244.45)**
Liabilities				
Non current liabilities				
Financial liabilities				
i. Borrowings	1	265,701.84	(1,829.99)	263,871.85
ii. Trade Payables	8	5,220.00	66,155.63	71,375.63
Deferred tax liabilities[net]	10	1.59	1.86	3.45
Provisions	4	311.87	11,967.64	12,279.51
Total non current liabilities		**271,235.30**	**76,295.14**	**347,530.44**
Current liabilities				
Financial liabilities				
i. Borrowings	1 and 12	25,061.61	(449.45)	24,612.16
ii. Trade payables	8	38,869.38	118,457.54	157,326.92
iii Other financial liabilities	1	21,727.37	33.59	21,760.96
Other current liabilities	9 and 12	1,392.28	(48.99)	1,343.29
Provisions	2 and 4	257.85	1,867.17	2,125.02
Total current liabilities		**87,308.49**	**119,859.87**	**207,168.35**
Total liabilities		**358,543.79**	**196,155.01**	**554,698.79**
Total Equity and Liabilities		**368,670.19**	**174,784.16**	**543,454.35**

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 1 A(continued..)

Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at April 1, 2015

	Notes to first-time adoption	IGAAP	Effects of Transition to Ind AS	IND AS
ASSETS				
Non current assets				
Property, Plant and Equipment		2,833.47	-	2,833.47
Capital work-in-progress		1,626.84	-	1,626.84
Goodwill on consolidation		2,652.04	-	2,652.04
Other Intangible assets	8	210,107.85	183,047.39	393,155.24
Financial Assets			-	
i. Investments		2,161.21	-	2,161.21
ii Loans	5,6 and 7	43,809.81	5,963.72	49,773.53
ii Other financial assets		3,872.62	-	3,872.62
Deferred tax assets (net)	10 and 11	9,413.93	6,397.87	15,811.80
Income tax asset	11	2,856.06	(118.16)	2,737.90
Other non current assets	5 and 7	40,176.76	517.81	40,694.57
Total non current assets		**319,510.58**	**195,808.64**	**515,319.22**
Current assets				
Financial Assets				
i. Investments		1,063.30	-	1,063.30
ii Trade receivables		2,582.75	-	2,582.75
ii Cash and cash equivalents	9	4,911.44	(0.33)	4,911.11
iv Bank balances other than (iii) above		8,570.34	-	8,570.34
v Loans		5,408.10	0.00	5,408.10
vi Other financial assets		8,407.49	0.00	8,407.49
Other current assets	1,5, 7 and 9	13,107.22	65.27	13,172.49
Total current assets		**44,050.64**	**64.94**	**44,115.58**
Total Assets		**363,561.22**	**195,873.58**	**559,434.80**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital		11,149.43	-	11,149.43
Other Equity		(33,793.90)	(15,249.20)	(49,043.10)
Total Equity		**(22,644.47)**	**(15,249.20)**	**(37,893.67)**
Liabilities				
Non current liabilities				
Financial liabilities				
i. Borrowings	1	295,676.18	(2,164.62)	293,511.56
ii Trade Payables	8	10,440.00	129,987.84	140,427.84
Deferred tax liabilities[net]	10	-	20.50	20.50
Provisions	2 and 4	227.38	8,101.27	8,328.65
Total non current liabilities		**306,343.56**	**135,944.99**	**442,288.55**
Current liabilities				
Financial liabilities				
i. Borrowings	1	20,716.37	(17.65)	20,698.72
ii Trade payables	8	31,904.31	74,609.26	106,513.57
ii Other financial liabilities	1	25,536.71	(15.86)	25,520.85
Other current liabilities		1,656.51	-	1,656.51
Provisions	2 and 4	48.23	602.04	650.27
Total current liabilities		**79,862.13**	**75,177.79**	**155,039.92**
Total liabilities		**386,205.69**	**211,122.78**	**597,328.47**
Total Equity and Liabilities		**363,561.22**	**195,873.58**	**559,434.80**

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 1A (continued..)

Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of Consolidated Statement of Profit and Loss for the year ended 31 March 2016

		Notes to first-time adoption	IGAAP	Effects of Transition to Ind AS	Ind AS
I	Revenue from operations	9 and 13	200,680.01	(10,160.74)	190,519.27
II	Other income	5,6,7 and 12	4,070.30	3,499.24	7,569.54
III	**Total Income (I + II)**		**204,750.31**	**(6,661.50)**	**198,088.81**
IV	**Expenses**				
	Operating and maintenance expenses	4,7,8,9 and 12	133,328.74	(107,327.71)	26,001.03
	Employee Benefits Expenses	12 and 13	7,753.44	(310.09)	7,443.35
	Finance costs	1,4,8 and 9	38,323.13	25,895.66	64,218.79
	Depreciation and amortisation expense	8	17,062.17	84,156.53	101,218.70
	Other expenses	5,9, and 12	4,114.07	(118.66)	3,995.41
	Total Expenses (IV)		**200,581.55**	**2,295.73**	**202,877.28**
V	**Profit/(loss) before exceptional items, share of net profits of investment accounted for using equity method and tax**		**4,168.76**	**(8,957.23)**	**(4,788.47)**
	Share of profit / (Loss) in Joint Venture and Associates accounted for using the equity method (net of tax)		-	**(445.76)**	**(445.76)**
	Profit/(loss) before exceptional item and tax		**4,168.76**	**(9,402.99)**	**(5,234.23)**
VII	Exceptional items		-		-
V	**Profit/(loss) before tax**		**4,168.76**	**(9,402.99)**	**(5,234.23)**
VI	**Income Tax expense**				
	Current tax				-
	For current year		3,310.36	-	3,310.36
	For Previous Year		(242.25)	-	(242.25)
	Deferred tax	10	(1,532.01)	(3,111.73)	(4,643.74)
	Total tax expense		**1,536.10**	**(3,111.73)**	**(1,575.63)**
VII	**Profit from continuing operations (VIII-IX)**		**2,632.66**	**(6,291.26)**	**(3,658.60)**
VIII	**Other Comprehensive Income/(loss) from continued operations**				
	(i) Items that will not be reclassified to profit or loss				-
	Remeasurement of defined benefit obligations	13	-	(38.95)	(38.95)
	(ii) Income tax relating to above items that will not be reclassified to profit or loss	10	-	12.89	12.89
IX	**Other Comprehensive Income/(loss) from continued operations (Net of tax)**		-	**(26.06)**	**(26.06)**
X	**Total Comprehensive Income/(loss) from continued operations (X+XI) (Comprising Profit and Other Comprehensive Income for the period)**		**2,632.66**	**(6,317.32)**	**(3,684.66)**

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 1A (continued..)

Reconciliation of total equity:

Reconciliation of net worth as at 31 March 2016 and 1 April 2015

Particulars	Footnote ref.	As on 31 March 2016	As on 1 April 2015
Net worth under IGAAP Debit/(Credit)		**(10,126.41)**	**22,644.47**
Summary of Ind AS adjustments			
Floating rate borrowing - EIR Adjustment	1	(1,801.62)	(2,183.82)
Fixed rate borrowing - EIR Adjustment	1	(6.35)	(13.84)
Reversal of proposed dividend	2	(162.57)	
Reversal of dividend distribution tax	3	(33.10)	
Provision of significant maintenance obligation	4	14,030.48	8,703.31
Fair value of security deposit	5	2.55	2.40
Loan given with step up interest (EIR calculation)	6	(10,071.25)	(6,620.54)
Fair value of performance security	7	85.24	71.72
Intangible assets - Toll collection rights	8	28,711.81	21,549.70
Equity accounting of KVM Technology Solutions Pvt Ltd	9	(0.51)	(0.51)
Deferred Tax Impact	10	(9,383.84)	(6,259.22)
Total Ind AS adjustments		**30,754.69**	**21,508.42**
Total Deferred Tax impact on Ind AS adjustment		**(9,383.84)**	**(6,259.22)**
IND AS Net Worth Debit/ (Credit)		**11,244.45**	**37,893.67**

Reconciliation of Consolidated Statement of Profit and Loss for the year ended on 31 March 2016

Particulars	Footnote ref.	As on 31 March 2016
Comprehensive income under IGAAP		**2,632.66**
Floating rate borrowing - EIR Adjustment	1	(382.20)
Fixed rate borrowing - EIR Adjustment	1	(7.49)
Provision of significant maintenance obligation	4	(5,327.17)
Fair value of security deposit	5	(0.15)
Loan given with step up interest (EIR calculation)	6	3,450.70
Fair value of performance security	7	(13.52)
Intangible assets - Toll collection rights	8	(7,162.11)
Impact of Deferred Tax on above adjustment	10	2,943.78
Change in deferred Tax	10	180.84
Total Ind AS adjustments		**(6,317.32)**
Comprehensive income under Ind AS		**(3,684.66)**

Notes to the reconciliation:

1 Under previous GAAP, the Company accounted for the loan arrangement fees as an expense to Profit and Loss account. However under Ind AS, loan arrangement fees have to be amortised on EIR basis.

2 Under IND AS, Dividends declared after the reporting period but before the financial statements are authorized for issue, are not recognised as a liability because no obligation exists as at the end of the reporting period and the same is disclosed in the notes. Declaration of dividend is considered as non-adjusting event and hence shall be recognised in the year in which it is paid.

3 Under IND AS, Obligation of payment of taxes on dividends actualizes when the shareholders approve the dividend payment and hence, are not recognised as a liability. Proposed dividend and related dividend distribution tax are recognised in the year in which it is paid.

4 Under previous GAAP, Group accounted for major maintenance expense as and when incurred. However under Ind AS, Group would have to determine the initial provision based on the state of Highway as at that date and the discounted value is recognised as provision. Group shall recognise the unwinding of the discount of the provision as a finance cost every reporting period.

5 Under previous GAAP, security deposits are carried at their face values. Under Ind AS, non-cancellable deposits (not statutory deposits in nature) are required to be measured at their fair values at inception using an appropriate discounting rate.

6 Under previous GAAP, Group accounted for step up interest loan on cost basis. However under Ind AS, the loan will measured at amortised cost using EIR method such that the interest rate will be applied constantly over the tenure of loan.

7 Under previous GAAP, performance security are carried at their face values. Under Ind AS, non-cancellable deposits (not statutory deposits in nature) are required to be measured at their fair values at inception using an appropriate discounting rate.

8 Pursuant to the adoption of Ind AS, effective from 1 April 2015, all toll collection rights acquired have been accounted as "intangible assets" as required under Ind AS 38 and are ammortised over the period of the respective contracts. In addition, corresponding liability which is payable to authority against acquisition of toll collection rights is recognised as trade payables. The payment under these contracts, hitherto were recognised as operating and maintenance expenditure.

9 Under previous GAAP, KVM Technology Solutions Private Limited was consolidated using proportionate method, however under Ind AS 28, equity accounting is used to consolidate KVM Technology Solutions Private Limited

10 Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. It also includes impact of deferred tax arising on account of transition to IND AS.

11 Under Ind AS, MAT credit entitlement is reclassified as deferred tax asset

12 Under previous GAAP, SMYR Consortium LLP was consolidated using proportionate method, however under Ind AS 28, equity accounting is used to consolidate SMYR Consortium LLP

13 Under Previous GAAP, Company recognises actuarial gains/losses on defined benefit plan in the profit and loss account. Under Ind AS, the actuarial gains and losses will be recognised in other comprehensive income as remeasurements.

Statement of cash flows:

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 2

Note 2 - Property, Plant and Equipment - As at March 31, 2017

	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2016	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2017	As at April 1, 2016	Charge for the year	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Lease hold Land #	25.88	-	-	25.88	0.29	0.29	-	0.58	25.30	25.59
Office Premises @	981.10	1.16	-	982.26	39.82	58.53	-	98.35	883.91	941.28
Vehicles	1,297.62	90.53	199.42	1,188.73	325.59	328.87	116.40	538.06	650.67	972.03
Computers	299.97	199.98	123.84	376.11	154.41	135.96	59.66	230.71	145.40	145.56
Toll Equipments	2,409.33	775.69	998.99	2,186.03	431.83	370.69	224.39	578.13	1,607.90	1,977.50
Office Equipments	237.73	71.95	2.03	307.65	70.37	68.10	0.39	138.08	169.57	167.36
Furniture and fixtures	114.51	182.70	-	297.21	40.25	50.18	-	90.43	206.78	74.26
Buildings	501.59	15.76	24.02	493.33	2.62	42.39	0.79	44.22	449.11	498.97
Plant and Machinery	1,308.40	298.38	455.42	1,151.36	19.42	252.93	58.60	213.75	937.61	1,288.98
Total	**7,176.13**	**1,636.15**	**1,803.72**	**7,008.56**	**1,084.60**	**1,307.94**	**460.23**	**1,932.31**	**5,076.25**	**6,091.53**
Capital work-in-progress	**666.72**	**2,972.70**	**824.09**	**2,815.33**					**2,815.33**	**666.72**
Total	**666.72**	**2,972.70**	**824.09**	**2,815.33**	-	-	-	-	**2,815.33**	**666.72**

Property, Plant and Equipment - As at March 31, 2016

	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2015	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2016	As at April 1, 2015	Charge for the year	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2016	As at April 1, 2015
Lease hold Land #	25.88	-	-	25.88	-	0.29	-	0.29	25.59	25.88
Office Premises @	382.45	598.65	-	981.10	-	39.82	-	39.82	941.28	382.45
Vehicles	577.41	720.21	-	1,297.62	-	325.59	-	325.59	972.03	577.41
Computers	180.40	123.33	3.76	299.97	-	157.23	2.82	154.41	145.56	180.40
Toll Equipments	1,382.72	1,032.72	6.11	2,409.33	-	433.76	1.93	431.83	1,977.50	1,382.72
Office Equipments	193.96	43.77	-	237.73	-	70.37	-	70.37	167.36	193.96
Furniture and fixtures	90.65	23.86	-	114.51	-	40.25	-	40.25	74.26	90.65
Buildings	-	501.59	-	501.59	-	2.62	-	2.62	498.97	-
Plant and Machinery	-	1,308.40	-	1,308.40	-	19.42	-	19.42	1,288.98	-
Total	**2,833.47**	**4,352.53**	**9.87**	**7,176.13**		**1,089.35**	**4.75**	**1,084.60**	**6,091.53**	**2,833.47**
Capital work-in-progress	**1,626.84**	**854.51**	**1,814.63**	**666.72**	-	-	-	-	666.72	1,626.84
	1,626.84	**854.51**	**1,814.63**	**666.72**	-	-	-	-	**666.72**	**1,626.84**

Property, Plant and Equipment - As at April 1, 2015

	Gross Block (At Cost)				Accumulated Depreciation			Net Block
	As at April 1, 2015	Additions/ Adjustments	Deductions/ Adjustments	As at April 1, 2015	Charge for the year	Deductions/ Adjustments	As at April 1, 2015	As at April 1, 2015
Tangible Assets:								
Lease hold Land #	25.88	-	-	25.88	-	-	-	25.88
Office Premises @	382.45	-	-	382.45	-	-	-	382.45
Vehicles	577.41	-	-	577.41	-	-	-	577.41
Computers	180.40	-	-	180.40	-	-	-	180.40
Toll Equipments	1,382.72	-	-	1,382.72	-	-	-	1,382.72
Office Equipments	193.96	-	-	193.96	-	-	-	193.96
Furniture and fixtures	90.65	-	-	90.65	-	-	-	90.65
Total	**2,833.47**	-	-	**2,833.47**	-	-	-	**2,833.47**
Capital work-in-progress	**1,626.84**	-	-	**1,626.84**	-	-	-	1,626.84
	1,626.84	-	-	**1,626.84**	-	-	-	**1,626.84**

The Group has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2015 under the previous GAAP

Property, plant and equipment	Gross Block	Accumulated Depreciation	Net Block
Leasehold Land #	26.75	0.87	25.88
Office premises@	464.50	82.05	382.45
Vehicles	1,537.79	960.38	577.41
Computer system	526.22	345.82	180.40
Toll equipments	2,011.12	628.39	1,382.73
Office equipments	286.40	92.44	193.96
Furnitures and fixtures	201.38	110.73	90.65
Total	5,054.16	2,220.68	2,833.47

Other Notes:

\# As per Lease Deed, lease hold land has been amortised by straight line method over the period of ninety three years from the date of lease deed 10 May 2012.

@ Office premise is under mortgage with a bank.

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in Lakhs)
Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 3

Intangible assets - March 31, 2017

	Gross Block				Accumulated Amortisation/ Impairment				Net Block	
	As at April 1, 2016	Additions/ Adjustment	Deductions/ Adjustments	As at March 31, 2017	As at April 1, 2016	Charge for the year	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Toll collection rights	549,354.52	46,313.85	88,485.86	507,182.51	199,316.51	85,492.98	16,404.63	268,404.86	238,777.65	350,038.01
Goodwill on Consolidation	2,652.04		33.99	2,618.05					2,618.05	2,652.04
Total	552,006.56	46,313.85	88,519.85	**509,800.56**	**199,316.51**	**85,492.98**	**16,404.63**	**268,404.86**	**241,395.70**	**352,690.05**

Intangible assets - As at March 31, 2016

	Gross Block				Accumulated Amortisation/ Impairment				Net Block	
	As at April 1, 2015	Additions/ Adjustment	Deductions/ Adjustments	As at March 31, 2016	As at April 1, 2015	Charge for the year	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2016	As at April 1, 2015
Intangible Assets:										
Toll collection rights	497,156.75	57,233.59	5,035.82	549,354.52	104,001.51	100,129.35	4,814.35	199,316.51	350,038.01	393,155.24
Goodwill on Consolidation	2,652.04			2,652.04	-				2,652.04	2,652.04
Total	**499,808.79**	**57,233.59**	**5,035.82**	**552,006.56**	**104,001.51**	**100,129.35**	**4,814.35**	**199,316.51**	**352,690.05**	**395,807.28**

Intangible assets - As at April 1, 2015

	Gross Block (At Cost)				Accumulated Amortisation				Net Block
	As at April 1, 2015	Additions/ Adjustment	Deductions/ Adjustments	As at April 1, 2015	As at April 1, 2015	Charge for the year	Deductions/ Adjustments	As at April 1, 2015	As at April 1, 2015
Intangible Assets:									
Toll collection rights	261,101.10	271,145.79	35,090.14	497,156.75	50,993.25	60,817.80	7,809.54	104,001.51	393,155.24
Goodwill on Consolidation	2,652.04			2,652.04				-	2,652.04
Total	**263,753.14**	**271,145.79**	**35,090.14**	**499,808.79**	**50,993.25**	**60,817.80**	**7,809.54**	**104,001.51**	**395,807.28**

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 3

Property, Plant and Equipment

Depreciation and Amortisation expense

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation on Property, Plant and Equipment	**1,307.94**	1,089.35
Amortisation	**85,492.98**	100,129.35
	86,800.92	101,218.70

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 3
Impairment review

Impairment testing for cash generating unit (CGU) containing goodwill

The goodwill at each CGU level is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount is less than its carrying value. The recoverable amount is based on a value-in-use calculation using the discounted cash flow method. The value-in-use calculation is made using pre-tax Budgeted EBITDA projections based on the Management forecasts of the contract tenure (after considering the relevant long-term growth rate).Remaining contract tenure is in the range of 6 to 13 years given the term of the contract signed with the government authorities. No terminal value is included as these cash flows exceeding their carrying value. The methods used to determine recoverable amounts have remained consistent with the prior year.

Goodwill acquired through business combinations with indefinate lives has been allocated to to the following CGU's:

Name of the Entities	2016-17	2015-16	2014-15
MEP Infrastructure Private Limited	**1,012.30**	1,012.30	1,012.30
MEP Hyderabad Bangalore Toll Road Private Limited	**0.48**	0.48	0.48
Baramati Tollways Private Limited	**1,605.28**	1,605.28	1,605.28
MEP RGSL Toll Bridge Private Limited		0.24	0.24
Raima Ventures Private Limited		0.19	0.19
Raima Toll Road Private Limited		0.18	0.18
Raima Toll and Infrastructure Private Limited		0.04	0.04
MEP Chennai Bypass Toll Road Private Limited		28.75	28.75
MEP IRDP Solapur Toll Road Private Limited		1.22	1.22
MEP Nagzari Toll Road Private Limited		3.36	3.36
Total	**2,618.05**	2,652.04	2,652.04

The keys assumptions used in value- in- use calculation are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the Management's past experience as their assessment of future trends, and are consistent with external / internal sources of information.

Based on the above assumptions and analysis, during the year ended 31 March 2017, Group recorded impairment charge of Rs. 33.99 Lakhs. No impairment was identified for any of the CGU as at 31 March 2016 and 1 April 2015 as the recoverable value of the CGU exceeded the carrying value.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 4

Non Current Financial Assets-Investments in Joint Ventures

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non- trade investments in Joint Venture & Associate			
3300 (previous year: 3300) equity shares of KVM Technology Solution Private Limited of Rs 10 each	**6.99**	-	-
SMYR Consortium LLP	-	-	-
29,607,400 (previous year : Nil) equity shares of MEP Nagpur Ring Road 1 Private Limited of ₹ 10 each	**3,029.10**	-	-
35,726,600 (previous year : Nil) equity shares of MEP Sanjose Nagpur Ring Road 2 Private Limited of ₹ 10 each	**3,577.98**	-	-
32,917,400 (previous year : Nil) equity shares of MEP Sanjose Arwali Kante Road Private Limited of ₹ 10 each	**3,271.66**	-	-
45,867,400 (previous year : Nil) equity shares of MEP Sanjose Kante Waked Road Private Limited of ₹ 10 each	**4,563.43**	-	-
6,000 (previous year : Nil) equity shares of MEP Sanjose Talaja Mahuva Road Private Limited of Rs 10 each	-	-	-
6,000 (previous year : Nil) equity shares of MEP Sanjose Mahuva Kagavadar Road Private Limited of Rs 10 each	-	-	-
TOTAL	**14,449.16**	-	-

Associate and Joint Ventures are consolidated using equity method of accounting, i.e. the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

As at 1st April 2015 and 31st March 2016, Group shares' of KVM Technology Solution Private Limited loss exceeds the investment value and hence the investment amount is appearing zero in these years.

As at 31st March 2016, Group shares' of SMYR Consortium LLP loss exceeds the investment value and hence the investment amount is appearing zero.

As at 31st March 2017, Group shares' of MEP Sanjose Talaja Mahuva Road Private Limited loss exceeds the investment value and hence the investment amount is appearing zero.

As at 31st March 2017, Group shares' of MEP Sanjose Mahuva Kagavadar Road Private Limited loss exceeds the investment value and hence the investment amount is appearing zero.

Note 5

Non Current Financial Assets-Investments

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non - trade preference shares			
12% Non-cummalative Redeemable Preference Shares of Rs. 10 each			
2,09,00,000 (Previous Year : 2,09,00,000) Preference Shares of Ideal Hospitality Private Limited of Rs. 10 each	**2,090.00**	2,090.00	2,090.00
Non - trade equity investments			
Unquoted, fully paid up			
3,300 (previous year : 3,300) equity shares of A J Toll Private Limited of Rs 100 each.	-	3.30	3.30
54,000 (previous year : 4,000) equity shares of Jankalyan Sahakari Bank Limited of Rs 10 each.	**5.40**	0.40	0.40
93,080 (previous year : 60,080) equity shares of The Kalyan Janata Sahakari Bank Limited of Rs 25 each.	**23.27**	15.02	15.02
9,980 (previous year : 9,980) equity shares of Thane Janata Sahakari Bank Limited of Rs 50 each.	**4.99**	4.99	4.99
11,040 (previous year: 11,040) equity shares of Dombivali Nagari Sahakari Bank Limited of Rs.50 each.	**5.52**	5.52	5.52
76,950 (previous year: 76,950) equity shares of Jankalyan Sahakari Bank Limited of Rs.50 each.	**38.48**	38.48	38.48
14,030 (previous year: 14,030) equity shares of The Ambernath Jai Hind Co Op Bank Limited of Rs 25 each.	**3.51**	3.51	3.51
5,010 (previous year : Nil) equity shares of The Ambernath Jai Hind Co Op Bank Limited of Rs 100 each.	**5.01**	5.01	-
TOTAL	**2,176.18**	2,166.22	2,161.21

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 6
Non Current Financial Assets- Loans
(Unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
To related parties :			
Loans and Advances (Refer note below (ii))	**42,104.05**	43,071.25	42,467.72
Advance consideration for acquisition of equity shares (Refer note belowe (i))	**6,309.00**	-	0.16
To parties other than related parties :			
Security Deposits	**85.13**	60.96	45.74
Loans and Advances to Employees	**12.65**	19.18	25.45
Other loans	-	7,701.45	6,526.45
Performance security	**472.78**	368.18	708.01
Total	**48,983.61**	51,221.02	49,773.53

*Refer Note 13 for the Current Portion of Non-current Loans

I. Advance consideration for acquisition of equity shares

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
MEP Nagpur Ring Road 1 Pvt. Ltd.	**2,011.79**	-	-
MEP Sanjose Arawali Kante Road Pvt. Ltd	**110.10**	-	-
MEP Sanjose Kante Waked Road Pvt. Ltd	**129.20**	-	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd	**611.92**	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.	**1,976.94**	-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd	**1,469.05**	-	-
Total	**6,309.00**	-	-

II. Loans and Advances to Related Party

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
MEP Hamirpur Bus Terminal Private Limited			0.61
MEP Una Bus Terminal Private Limited			1.92
Ideal Toll & Infrastructure Private Limited	**42,104.05**	43,071.25	42,465.19
Total	**42,104.05**	43,071.25	42,467.72

Note 7
Non Current Financial Assets-Others
(Unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Bank Deposits with maturity beyond 12 months	**2,488.38**	3,778.10	3,646.03
Interest accrued on fixed deposits	**207.74**	343.41	226.59
Advances recoverable in cash or kind	-	181.38	-
Total	**2,696.12**	4,302.89	3,872.62

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 8

Taxation

i. Amounts recognised in profit or loss

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Current Tax		
Current year	1,057.29	3,068.11
Total current tax	1,057.29	3,068.11
Deferred tax		
Deferred tax on origination and reversal of temporary differences	5,268.06	(4,643.74)
Total deferred tax	5,268.06	(4,643.74)
Total Income tax (income) / expense	6,325.35	(1,575.63)

ii Tax charge recognised directly to Other Comprehensive Loss

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Remeasurement of defined benefit obligations	71.52	38.95
Tax expenses	(23.35)	(12.89)
Net of tax	48.17	26.06

iii. Reconciliation of effective tax

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit / (loss) before tax as per Statement of Profit and loss	17,217.85	(5,234.23)
Tax using the domestic tax rate of the parent	5,958.75	(1,811.46)
Tax effects of:		
Deferred tax asset was not resognised in previous years for tax losses	(22.36)	(1.73)
Current year tax losses for which no deferred income tax is recognised	373.05	683.79
Expenses not deductible for tax purposes	40.45	129.00
Income not chargeble to tax	(0.58)	(7.15)
Tax incentive	(96.99)	(980.08)
Others	48.56	297.17
Recognition of income tax of previous years	(16.30)	(165.69)
Lower tax rate of subsidiary	43.17	307.09
Profits of Joint Venture not chargeable to income tax	(2.42)	154.27
Change in tax rate		(180.84)
Income tax expense	6,325.34	(1,575.63)
Effective tax rate	36.74%	30.10%

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 8 TAXATION (CONTD.)

iv. Deferred tax assets	**31 March 2017**	31 March 2016	1 April 2015
Deferred tax assets			
Carry forward business loss and unabsorbed depreciation	**45,761.29**	45,239.10	39,979.47
Provision for employee benefits	**187.70**	178.13	92.99
MAT Credit entitlement	**371.60**	366.38	118.15
Provision for resurfacing	**5,080.49**	4,213.56	2,494.52
Security Deposit/ Performance Security	**30.16**	27.29	23.06
Intangible assets	**9,228.93**	8,803.57	6,474.09
Total deferred tax assets	**60,660.17**	58,828.03	49,182.28
Deferred tax liabilities			
Excess of depreciation / amortisation on fixed / intangible assets in income-tax law over depreciation / amortisation provided in accounts.	**(36,688.94)**	(34,708.86)	(30,648.84)
Loan to related party	**(2,813.15)**	(3,112.02)	(2,051.78)
Borrowing	**(482.90)**	(555.76)	(669.86)
Straightling of upfront lease charges paid	**(5.85)**	-	-
Reversal of Intangible asset on termination	**(3,578.00)**	-	-
Reversal of provision (Significant Maintenance Obligation)	**(1,888.09)**	-	-
Total deferred tax liabilities	**(45,456.93)**	(38,376.64)	(33,370.48)
Deferred tax asset (net)	**15,203.24**	20,451.39	15,811.80

V. Deferred tax Liabilities	**31 March 2017**	31 March 2016	1 April 2015
Deferred tax liabilities			
Borrowings	-	0.08	7.43
Intangible assets	-	4.57	9.42
Excess of depreciation / amortisation on fixed / intangible assets in income-tax law over depreciation / amortisation provided in accounts.	-	-	3.84
Gross Deferred tax liabilities	-	4.65	20.69
Deferred tax assets			
Carry forward business loss and unabsorbed depreciation			
Provision for employee benefits			(0.19)
Excess of depreciation / amortisation on fixed / intangible assets in income-tax law over depreciation / amortisation provided in accounts.		(1.20)	
Gross Deferred tax assets		(1.20)	(0.19)
Net Deferred tax Liabilities	-	3.45	20.50

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 8 TAXATION (CONTD.)

vi. Movement in deferred tax balances

	Net balance April 1, 2015	Recognised in profit or loss	Recognised in OCI	As at 31st March 2016	Recognised in profit or loss	Recognised in OCI	As at 31st March 2017
Carry forward business loss and unabsorbed depreciation	**39,979.47**	5,259.63	-	**45,239.10**	522.19	-	**45,761.29**
MAT Credit entitlement	**112.11**	254.27	-	**366.38**	5.22	-	**371.60**
Intangible asset	**(24,178.59)**	(1,730.07)	-	**(25,908.66)**	(5,129.35)	-	**(31,038.01)**
Borrowing	**(677.28)**	121.44	-	**(555.84)**	78.79	-	**(477.05)**
Provision for resurfacing	**2,485.10**	1,728.46	-	**4,213.56**	(1,027.00)	-	**3,186.56**
Loan to related parties	**(2,045.75)**	(1,066.27)	-	**(3,112.01)**	298.86	-	**(2,813.15)**
Security Deposit/ Performance Security	**23.06**	4.22	-	**27.29**	2.88	-	**30.16**
Straightling of upfront lease charges paid	-	-	-	-	(5.85)	-	**(5.85)**
Provision for employee benefits	**93.18**	72.06	12.89	**178.13**	(13.78)	23.35	**187.70**
	15,791.30	4,643.75	12.89	**20,447.94**	**(5,268.05)**	**23.35**	**15,203.24**

Note 8 TAXATION (CONTD.)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

As at 31 March 2017, undistributed earning of subsidiaries and joint ventures amounted to Rs. 5,936.22 lakhs (March 31 2016: Rs. 3,517.63 lacs; April 1 2015: 1,230.53 lakhs) The corresponding deferred tax liability of Rs. 1,208.50 lakhs. (March 31 2016: Rs. 716.12 lakhs; April 1 2015: 250.51 lakhs) was not recognised because the Company controls the dividend policy of its subsidiaries (i.e. the Company controls the timing of reversal of the related taxable temporary differences and management is satisfied that they will not reverse in the foreseeable future.)

vii. Tax losses carried forward

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

Nature of loss	March 31, 2017 Gross amount	March 31, 2017 Expiry date	March 31, 2016 Gross amount	March 31, 2016 Expiry date	April 1, 2015 Gross amount	April 1, 2015 Expiry date
Business loss	**1,550.74**	**31.03.2020**	1,550.74	31.03.2020	1,648.22	31.03.2020
Business loss	**337.24**	**31.03.2021**	337.43	31.03.2021	337.43	31.03.2021
Business loss	**6,430.47**	**31.03.2022**	7,007.13	31.03.2022	7,007.13	31.03.2022
Business loss	**7,340.42**	**31.03.2023**	7,864.33	31.03.2023	7,830.53	31.03.2023
Business loss	**1,176.21**	**31.03.2024**	1,143.01	31.03.2024	-	
Business loss	**2,067.93**	**31.03.2025**	-		-	
Short-term Capital loss	**4.15**	**31.03.2023**	4.15	31.03.2023	4.15	31.03.2023
Short-term Capital loss	-		39.47	31.03.2017	39.47	31.03.2017
Unabsorbed depreciation	**878.22**	**No expiry date**	633.04	No expiry date	788.41	No expiry date

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 9

Other non current assets

Unsecured, considered good unless otherwise stated

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Capital advances to related party (Refer note below (i))	**2,297.77**	2,463.77	2,694.30
Balance with statutory authorities	**115.00**	24.38	19.51
Prepaid expenses	**697.10**	648.51	893.48
Mobilisation advance *	**50,249.04**	33,402.44	33,944.26
Capital advances to others	**4,317.18**	8,866.40	3,143.02
Total	**57,676.09**	45,405.50	40,694.57

* Current portion Refer Note No. 15

i. Capital Advance to related party

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Ideal Toll & Infrastructure Private Limited	**2,297.77**	2,463.77	2,694.30
Total	**2,297.77**	2,463.77	2,694.30

Note 10

Current Financial Assets- Investments

(Quoted)

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
<u>In Units of Mutual Funds</u>			
1,04,757.53 NAV Rs 1,000.54 face value Rs 1,000/- each IDFC Cash Fund Plan	-	-	1,063.30
Total	-	-	1,063.30
Aggregate book value of Quoted Investments	-	-	1,063.30
Aggregate market value of Quoted Investments	-	-	1,063.30

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)
Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 11
Current Financial Assets-Trade receivables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade receivables			
Unsecured considered good	**3,539.73**	17.27	2,582.75
Total	**3,539.73**	**17.27**	**2,582.75**

Enterprises over which significant influence is exercises by key managerial personnel/ Jointly Controlled entities)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
D.S Enterprises	**42.28**	-	2,551.53
MEP Nagpur Ring Road 1 Pvt. Ltd.	**1,144.86**	-	-
MEP Sanjose Arawali Kante Road Pvt. Ltd	**329.30**	-	-
MEP Sanjose Kante Waked Road Pvt. Ltd	**340.25**	-	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd	**341.35**	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.	**883.34**	-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd	**411.74**	-	-

The carrying amounts of trade receivables as at the reporting date are a reasonable approximation of their fair values. Trade receivables are predominantly non-interest bearing. Trade receivables are shown net of an allowance for bad or doubtful debts.

Refer Note 32 for Information about Credit Risk of Trade Receivables

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

NOTE 12 (i)
Cash and cash equivalents

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Bank balances			
- Current accounts	**1,414.18**	1,835.60	2,638.40
Deposit Accounts with less than or equal to 3 months maturity	**935.05**	73.23	35.87
Unclaimed Dividend	**0.35**		
Cash on hand	**1,188.90**	3,620.76	2,236.84
Cash and cash equivalents as presented in the Balance sheet	**3,538.48**	5,529.59	4,911.11

Bank balances and term deposits with banks held by the Company on a short-term basis with original maturity of three months or less. The carrying amount of cash equivalents as at reporting date at fair value.

Note 12 (ii)
Current Financial Assets-Other bank balances

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Bank deposits with maturity from 3-12 months	**10,883.16**	9,366.00	8,570.34
Total	**10,883.16**	9,366.00	8,570.34

Details of bank balances/deposits	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	**935.05**	73.23	35.87
Bank deposits due to mature within 12 months from the reporting date included under 'Other bank balances'	**10,883.16**	9,366.00	8,570.34
Bank deposits due to mature after 12 months from the reporting date included under 'Other non current assets' (Refer Note 7)	**2,488.38**	3,778.10	3,646.03
	14,306.59	13,217.33	12,252.24

1) Bank deposit include fixed deposits with various banks of Rs. 4,151.66 lacs (March 31, 2016: Rs. 4,315.56 lacs and April 1, 2015: Rs 3,745.76 lacs) which are provided as lien for the bank guarantee given to various authorities.
2) Bank deposits include fixed deposits with various banks of Rs 8,744.11 lakhs (March 31, 2016: 7,887.51 lacs and April 1, 2015: Rs 7,491.18 lacs) which are provided as lien to the banks and financial institutions for maintenance of Debt Service Reserve Account.
3) Bank deposits include fixed deposits with various banks of Rs 130.00 lakhs (March 31, 2016: 139.25 lacs and April 1, 2015: Rs 140.29 lakhs) which are placed as a security for loan taken from the bank.
4) Bank deposits of Rs 1,271.82 lakhs (March 31, 2016: Rs, 875 lacs and April 1, 2015: Rs 875.00 lacs) with banks are provided as cash margin for bank facility taken from the bank.

Note 13
Current Financial Assets-Loans
(Unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
To related Parties :			
Loans and Advances	**2,832.33**	2,822.01	200.00
To parties other than related parties :			
Loans and Advances to Employees	**10.75**	8.20	17.89
Loans and Advances to Others	**17,601.52**	206.95	200.00
Performance security	**2,788.50**	5,019.00	4,980.02
Security Deposits	**219.12**	381.89	10.19
Total	**23,452.22**	8,438.05	5,408.10

I. Loans and Advances to Related Party

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Ideal Toll & Infrastructure Private Limited	**2,622.01**	2,622.01	-
Rideema Enterprises	**7.26**	-	-
MEP Toll Gates Private Limited	**203.06**	200.00	200.00
Total	**2,832.33**	2,822.01	200.00

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 14
Other Current Financial Assets
(Unsecured, considered good unless otherwise stated)

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Interest Accrued on Bank Deposits	**413.88**	175.09	229.38
Interest Accrued on loans to related parties	**3,504.49**	44.82	54.76
Unbilled Revenue (Refer note 44)	**2,933.89**	-	-
Advances recoverable in cash	**104.59**	4,829.48	2,702.83
Interest Accrued on loans to others	**1,412.71**	2,412.49	987.47
Other receivables - related parties	**1,460.59**	495.27	185.25
Other receivables from other than related parties	**1,392.04**	32.66	45.11
Claim receivable*	**18,701.96**	7,099.97	4,202.69
Total	**29,924.15**	15,089.78	8,407.49

***Claims receivable**

a) One of the Company's subsidiary has preferred claims of Rs. 5,607.47 lakhs (March 31, 2016: 5,100.50 lakhs and April 1,2015: Rs 2,902.98 lakhs) receivable from National Highways Authority of India (herein after referred as "NHAI") consist of lesser user fees paid by TNSTC, floods, delay in commencement of COD and temporary injunction by Madurai bench of Hon'ble High court of Madras on collection of toll on certain vehicles in one of the Toll plazas.

b) Toll collection contract between one of the Company's subsidiary with Maharashtra State Road Development Co. Ltd (herein after referred as "MSRDC") was terminated on 30 June 2014.The said subsidiary is entitled for compensation of Rs. 370.54 lakhs (March 31,2016: Rs. 370.54 lacs and April 1, 2015: 370.54 lakhs) as per clause 31 of the Concession Agreement / Bid document entered with MSRDC.

c) One of the Company's subsidiary has preferred claim of Rs.795.50 lakhs (March 31, 2016: 863.06 lakhs and April 1, 2015: Rs. 929.18 lakhs)receivable from NHAI towards "Force Majeure" clause of Article 26 of the Concession Agreement between the said subsidiary and NHAI mainly on account of Seemandhra / Telangana Agitation.

d) One of the Company's subsidiary has recognised claim of Rs. 6,760.79 lakhs (March 31, 2016: 157.07 lakhs and April 1, 2015: Nil) receivable from MSRDC towards "Change of scope / variation" clause.

e) Two of the Company's subsidiary have recognised claims of Rs. 1,048.92 lakhs (March 31,2016: 517.13 lakhs and April 1,2015: Nil) receivable from MSRDC towards "Force Majeure" clause.

f) One of the Company's subsidiary has recognized a claim of Rs.91.67 lakhs (March 31, 2016: 91.67 lakhs and April 1, 2015: Nil) receivable from Hooghly River Bridge Commissioners (HRBC) towards " Force Majeure " as per concession agreement.

g) One of the Company's subsidiary has preferred claims of Rs. 150.86 lakhs (March 31, 2016: Nil and April 1,2015: Nil) receivable from National Highways Authority of India (herein after referred as "NHAI") towards lesser user fees paid by TNSTC.

h) The authorities had announced temporary suspension of toll collection at the tolls plazas operated by the Company and its subsidiaries from November 9, 2016 to December 2, 2016 post demonetization. The respective subsidiary companies have claimed compensation of Rs. 3,876.21 lakhs pursuant to the relevant agreement(s) as entered with the respective authorities.

Note 15
Other current assets
(Unsecured, considered good unless otherwise stated)

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Share Issue Expense	-	-	600.97
Prepaid expenses	**289.67**	1,279.05	861.56
Advances for authority payment	**2,079.00**	366.09	222.44
Advances to suppliers	**2,263.67**	260.34	86.23
Mobilisation Advance to related party (Refer note below (i))	-	6,180.27	6,739.68
Mobilisation Advance	**16,480.75**	11,550.67	4,661.61
InvIT issue expenses	**104.41**	-	-
Total	**21,217.50**	19,636.42	13,172.49

i. Mobilisation to Related Party

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Ideal Toll & Infrastructure Private Limited		6,180.27	6,739.68
Total	-	6,180.27	6,739.68

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 16

Equity Share Capital

Particulars	**As at March 31, 2017 Amount**	**As at March 31, 2016 Amount**	**As at 1st April 2015 Amount**
[a] Authorised share capital			
200,000,000 (Previous years : 200,000,000 and As at 1st April 2015 200,000,000) Equity shares of Rs 10 each	**20,000.00**	20,000 00	20,000 00
	20,000.00	20,000 00	20,000 00
[b] Issued			
162,569,191 (Previous years : 162,569,191 and As at 1st April 2015: 111,494,250) Equity shares of Rs 10 each	**16,256.92**	16,256 92	11,149 43
	16,256.92	16,256 92	11,149 43
[c] Subscribed and paid up			
162,569,191 (Previous years : 162,569,191 and As at 1st April 2015 111,494,250) Equity shares of Rs 10 each	**16,256.92**	16,256 92	11,149 43
	16,256.92	16,256 92	11,149 43

[d] Reconciliation of number of shares outstanding at the beginning and end of the year :

	As at March, 2017 Number of Shares	**Amount**
Equity :		
Outstanding as on April 1, 2016	**162,569,191.00**	**16,256.92**
Issued during the year	-	-
Outstanding as on March 31, 2017	**162,569,191.00**	**16,256.92**

	As at March, 2016 Number of Shares	Amount
Equity :		
Outstanding as on April 1, 2015	111,494,250 00	11,149 43
Issued during the year	51,074,941 00	5,107 49
Outstanding as on March 31, 2016	162,569,191 00	16,256 92

	As at April 1, 2015 Number of Shares	Amount
Equity :		
Outstanding at the beginning of the year	100,000,000 00	10,000 00
Issued during the year	11,494,250 00	1,149 43
Outstanding as on April 1, 2015	111,494,250 00	11,149 43

[e] Rights, preferences and restrictions attached to equity shares :

The Company has a single class of equity shares Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets The equity shareholders are entitled to receive dividend as declared from time to time The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid Failure to pay any amount called up on shares may lead to forfeiture of the shares

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

[f] Shares held by its holding company

Equity shares of Rs 10 each fully paid held by:	**31 March 2017**		31 March 2016		1 April 2015	
	Number of Shares	**Amount**	Number of Shares	Amount	Number of Shares	Amount
Ideal Toll & Infrastructure Private Limited (Holding Company)*	-	-	-	-	59,940,407 00	5,994 04

*During previous year, the Company issued 51,074,941 equity shares of Rs 10 each at the price of Rs 63 per equity share (including premium of Rs 53 per equity share) aggregating to Rs 32,400 00 lakhs pursuant to shares under initial public offering in May 2015 Consequently, the shareholding of Ideal Toll & Infrastructure Private Limited (ITIPL) has reduced from 53 76% to 36 87% therefore ITIPL is no longer the holding company as at March 31, 2016

[g] Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	**As at March 31, 2017**		As at March 31, 2016		As at March 31, 2016	
	Number of Shares	**Percentage**	Number of Shares	Percentage	Number of Shares	Percentage
Equity shares of Rs. 10/- each fully paid						
Ideal Toll & Infrastructure Private Limited	**29,940,407.00**	**18.42%**	59,940,407 00	36 87%	59,940,407 00	53 76%
Dattatray Mhaiskar jointly with Sudha Dattatray Mhaiskar (Directors)	**10,220,189.00**	**6.29%**	26,447,180 00	16 27%	25,218,780 00	22 62%
Jayant Dattatray Mhaiskar jointly with Anuya Jayant Mhaiskar (Directors)	**11,227,920.00**	**6.91%**	11,227,920 00	6 91%	11,227,920 00	10 07%
Jayant Dattatray Mhaiskar (Managing Director)	**5,033,578.00**	**3.10%**	13,755,578 00	8 46%	11,003,300 00	9 87%
Anuya Jayant Mhaiskar	**9,869,300.00**	**6.07%**				
Sudha Dattatray Mhaiskar	**14,998,591.00**	**9.23%**				
A J Tolls Private Limited	**30,000,000.00**	**18.45%**				
	111,289,985.00	**68.46%**	111,371,085 00	68 51%	107,390,407.00	96 32%

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 17 OTHER EQUITY

(i) Securities Premium account

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
At commencement of the year	**26,773.56**	1,350.58	
Received during the period/ year		27,292.51	
Less: Share issue expense		(1,869.53)	
Balance as at the end of the year	**26,773.56**	26,773.56	1,350.58

(ii) Capital Reserve

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
At commencement of the year	**1.92**	1.92	-
Balance as at the end of the year	**1.92**	1.92	1.92

(iii) Retained earnings

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Balance as at the beginning of the year	**(54,276.85)**	(50,395.60)	-
Dividends	**(325.14)**	(162.57)	-
Dividend distribution Tax	**(66.20)**	(34.02)	-
Profit for the year	**10,892.50**	(3,658.60)	-
Other comprehensive income	**(48.17)**	(26.06)	-
Balance as at the end of the year	**(43,823.92)**	(54,276.85)	(50,395.60)
Total	**(17,048.44)**	(27,501.37)	(49,043.10)

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in Lakhs)
Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 18
Non-Current Financial Liability-Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured			
Term loans from banks	**156,478.66**	179,739.45	205,144.08
Term loans from financial institutions	**94,489.69**	83,449.84	87,767.25
Vehicle loans from banks	**217.30**	464.41	300.72
Vehicle loans from financial institutions	**58.50**	35.21	17.14
Commercial equipment loans from bank	**232.38**	182.94	282.37
Commercial equipment loans from financial institutions	**18.27**		
Total	**251,494.80**	263,871.85	293,511.56

*Refer Note 24 for the Current Maturities of Non-current Borrowings

*Refer Note 32 for Liquidity Risk

Note 18.1

I) Term loans taken by MEP Infrastructure Developers Limited

a) Term loan includes loan from a bank amounting to to Rs 14,999.80 lakhs (March 31, 2016 : Rs 15,869.97 lakhs and 1st April, 2015: Rs 16975.00 lakhs) which is secured by a first and exclusive charge as under:

a) first exclusive charge on escrow account specifically maintained for maintenance income/receivables from the maintenance contract with MEP Infrastructure Private Limited, a subsidiary;
b) first mortgage and charge on all immovable and movable properties of the Company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties); except as specifically charged;
c) exclusive charge on specific account opened to route the proceeds from the loan and interest thereon extended to the Ideal Toll & Infrastructure Private Limited by MEP Infrastructure Private Limited, subsidiary company;
d) pledge of 5 lakhs shares of IRB Infrastructure Developers Limited, held by the promoters of the company;
e) Pledge of 1.14 crore shares of MEP Infrastructure Developers Limited held by the promotor (In demat form)
f) Equitable mortgage of 9.56 Ha land situated at Dhakle Gaon Baramati, owned by relative of the promoters
g) first charge on the all bank accounts including but not limited to escrow account opened by MEP Highway Solutions Private Limited, subsidiary company;
h) corporate guarantees given by Ideal Toll & Infrastructure Private Limited and personal guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company

The term loan carries an interest rate calculated on base rate of the bank plus a spread of 275 basis points. The term loan is repayable in 127 unequal monthly installments commencing from 1 September 2014.

b) Term loan includes loan from a bank amounting to Rs Nil (March 31, 2016 : Rs Nil and 1st April, 2015: Rs 3,749.34 lakhs) which is secured by way of first charge of hypothecation / assignment / security interest on escrow account of the projects financed and also, by pledge of 500,000 equity shares and negative lien on 250,000 equity shares of IRB Infrastructure Developers Limited held by the promoters of the Company.

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited and personal guarantee given by Mr. Jayant D. Mhaiskar & Mr. D.P. Mhaiskar, Directors of the Company. The term loan carries an interest rate calculated on base rate of the bank plus a spread of 300 basis points. The term loan is repayable in two equal installments of Rs 3,750.00 lakhs commencing from 1 March 2014.

c) Term loan includes a loan from a bank amounting to Rs Nil (March 31, 2016 : Rs 240.00 lakhs and 1st April, 2015: Rs 610.00 lakhs) which is secured by way of assignment / hypothecation of receivables to be generated from the Toll collection account of the projects financed.

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited and personal guarantee given by Mr. Jayant D. Mhaiskar , Director of the Company. The term loan carries an interest rate of 13% p.a. The term loan is repayable in 35 unequal monthly installments commencing after one month from the date of first disbursement.

d) Term loan includes a loan from a bank amounting to Rs Nil (March 31, 2016 : Rs 275.42 lakhs and 1st April, 2015: Rs Nil) which is secured as under :

a) hypothecation / assignment of receivables to be generated from the Toll collection account & refund of performance security from authority of the projects
b) equitable mortgage(second charge) on the residential property situated at Mumbai owned by promoters of the Company;
c) personal guarantee of Mr. Jayant D. Mhaiskar, director of the company

The term loan carries an interest rate calculated at the rate of 13.00% p.a.(floating at monthly rest) The loan is repayable in 10 monthly installments from the date of disbursement & last installment in lumsum on or before 31st January 2017.

e) Term loan includes a loan from a bank amounting to Rs 1296.22 lakhs (March 31, 2016 : Rs 1483.71 lakhs and 1st April, 2015: Rs Nil) which is secured as under

a) exclusive charge by way of equitable/registered mortgage on the commercial properties situated at Boomerang building, Chandivali farm road, Andheri East;
b) pledge of 200% shares of amount equivalent to remaining portion of term loan after considering the amount against the property as per security cover in the form of demat shares of the Company;
c) Personal guarantee of Mr. Jayant D. Mhaiskar, director of the company.
d) DSRA equivalent to 3 months EMI in form of undisbursed overdraft as sub-limit of term loan.

The term loan carries an interest rate calculated on base rate plus 0.65% (annual reset) The loan is repayable in 72 monthly installments from the date of disbursement.

f) Term loan includes a loan from a financial institution amounting to Rs 5000.00 lakhs (March 31, 2016 : Rs 5000.00 lakhs and 1st April, 2015: Rs Nil) which is secured as under :

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Non-Current Financial Liability-Borrowings (Continued)

a) First pari -passu charge on approximately 21 acres of leasehold land of 99 years located at Baramati, District Pune, Maharashtra giving a security cover of 1.25 times over the loan facility.

b) DSRA equivalent to 3 months interest servicing in form of FD with scheduled commercial bank lien marked.

c) Subservient charge on all revenues & receivable of the Company

d) Non-Disposal Undertaking (NDU) mechanism along with Power of Attorney (POA) of sepcified number of shares of the company held by the promoters so as to give cover of 1.25 times on the loan amount.

e) Personal guarantee of Promoter Mr. Jayant D. Mhaiskar.

f) Corporate guarantee of Baramati Tollways private Limited

The term loan carries an interest rate calculated on base rate of 11.70 % p.a. plus spread of 1.80%. The loan is repayable in 36 equal monthly installments beginning from 25th month from the date of disbursement.

g) Term loan from bank amounting to Rs 447.73 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) which is secured as under :

a) by Security against receivables generated from Toll collection at Paduna toll plaza (Udaipur-Kherwada section) on NH No 8,

b) performance security deposit receivable from NHAI, Other movable assets like toll equipment etc. used for Toll collection.

c) Personal guarantee of Mr. Jayant D. Mhaiskar, director of the company

The term loan carries an interest rate of 12.50 % p.a. (floating). The loan is repayable in 15 monthly installments commencing from July 2016.

h) Term loan from bank amounting to Rs.364.23 lakhs (March 31, 2016 : Nil and 1st April, 2015: Rs Nil) which is secured as under :

a) by Receivables generated from Toll collection at Ghanghari toll plaza on NH 02 in the state of Jharkhand.

b) Performance security deposit receivable from NHAI,Other movable assets like toll equipment etc.used for toll collection at Ghanghari toll plaza ,

c) Personal guarantee of Mr. Jayant D. Mhaiskar, director of the company

The term loan carries an interest rate of 11.80 % p.a. (floating). The loan is repayable in 15 monthly installments commencing from October 2016.

Vehicle Loans

a) Vehicle loans from banks of Rs 146.62 lakhs (March 31, 2016 : Rs 374.88 lakhs and 1st April, 2015: Rs 314.74 lakhs) carry interest rates ranging from 9.76% - 12.38% p.a. The loans are repayable in 36 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

b) Vehicle loans from various financial institutions of Rs 64.15 lakhs (March 31, 2016 : Rs 60.05 lakhs and 1st April, 2015: Rs 28.31 lakhs) carry interest rate ranging from 9.53% - 12.34% p.a. The loans are repayable in 35 - 60 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

Equipment Loans

a) Equipment loan from bank of Rs 224.47 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) carries an interest rate of 9.25% p.a. The loan is repayable in 47 monthly installments along with interest. The loans are secured by way of hypothecation of the respective equipment.

b) Equipment loan from financial institution of Rs 38.54 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) carries an interest rate of 11.50% p.a. The loan is repayable in 24 monthly installments along with interest. The loans are secured by way of hypothecation of the respective equipment.

II) Term Loan taken by Subsidiaries

MEP Infrastructure Private Limited

Term loans includes a loan amounting to Rs 222,077.66 lakhs (March 31, 2016 : Rs 200,376.26 lakhs and 1st April 2015 : Rs. 211,652.31 lakhs) which is taken from a consortium consisting of a banks and financial institutions.

The loan is secured by a first pari-passu charge as below :

a) on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company;

b) by way of hypothecation of entire movable properties of the Company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);

c) entire intangible assets of the borrower, including but not limited to, goodwill and uncalled capital, if any;

d) by way of hypothecation / mortgage / assignment, as the case may be of all the rights, title, interest, benefits, claims, insurance contracts, demands; and

e) on the Trust and Retention Account, escrow account and debt service reserve.

Further, the term loan is also secured by additional collateral as below :

a) 51% pledge of share capital of the Company held by MEP Infrastructure Developers Limited, the holding Company and Ideal Toll & Infrastructure Private Limited, the associate Company; and

b) corporate guarantees jointly given by MEP Infrastructure Developers Limited, the holding Company and Ideal Toll & Infrastructure Private Limited, the associate Company;

The term loan from the consortium carries interest calculated on the base rate of the respective financial institutions and banks and a spread ranging from 1.00% - 2.10% p.a.

Of the above ,the term loan from banks and financial institutions, are repayable in 312 structured fortnightly installments commencing from 1 October 2011 and a term loan from the other financial institution is repayable in 109 monthly installments commencing from 1 October 2012. The Company has availed a takeout finance facility of Rs 26,990.00 lakhs from the consortium lenders. The takeout finance facility is repayable in 99 monthly installments commencing from 31

As 31 March 2017, delayed in repayment of Principal installments of Rs 2,623.96 lakhs and Interest portion of the loan Rs 6,784.23 lakhs

II) Apart from the above, the Company has taken another term loan from one of the the consortium lenders of Rs 29,090.40 lakhs (March 31,2016 : Rs 29,987.85 lakhs and 1st April 2015 : Rs. 39,936.25 lakhs) which is secured as mentioned above.

The loan carries interest calculated on the base rate of the bank plus spread of 2.10% p.a.

The loan is repayable in 324 structured fortnightly installments commencing from 1 October 2011.

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in Lakhs)
Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Non-Current Financial Liability-Borrowings (Continued)

III) Term loans also include a loan from a financial institution amounting to Rs Rs 18,080.90 lakhs (March 31,2016 : Rs 18,443.58 lakhs and 1st April 2015 : Rs. 19,986.67 lakhs) and the loan is secured by way of first charge on debt service reserve account (refer note 12) and by way of second charge as below:

a) on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company;

b) by way of hypothecation of entire movable properties of the Company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);

c) entire intangible assets of the borrower, including but not limited to, goodwill and uncalled capital, if any;

d) by way of hypothecation / mortgage / assignment, as the case may be of - all the rights, title, interest, benefits, claims, other banks accounts and demands;

e) the Trust and Retention Account, escrow account; and

Further, the term loan is secured by corporate guarantees jointly given by MEP Infrastructure Developers Limited, the holding Company and Ideal Toll & Infrastructure Private Limited, associate Company. The interest rate on the term loan is the existing prime lending rate less 2.50% p.a. The loan is repayable in 156 monthly instalments commencing from 1 July 2012.

IV) Vehicle loan

a) Vehicle loans of Rs.3.16 lakhs (March 31,2016 : Rs. 10.97 lakhs and 1st April 2015 : Rs. 18.96 lakhs) from a bank carries an interest rate ranging between 10.52% - 11.50% p.a. The loans are repayable in 35 - 47 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

b) Vehicle loans of Rs.28.64 lakhs (March 31,2016 : Rs. Nil and 1st April 2015 : Rs. Nil) from a financial institution carries an interest rate 9.27% p.a. The loans are repayable in 36 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

Raima Ventures Private Limited

I) Term loans include loan from a financial institution amounting to Rs. Nil Lakhs (March 31,2016: Rs. Nil Lakhs and 1st April 2015: Rs. 1940.17 Lakhs) which is secured by way of first charge as below :

a) by way of hypothecation of entire movable properties of the company both present and future including movable plant and machinery and all other movable properties of what so ever nature;

b) on entire cash flows receivables on book debts and revenues of the company both present and future;

c) on entire intangible assets of the company including but not limited to goodwill and uncalled capital both present and future;

d) hypothecation / mortgage assignment as the case may be of all the rights title, interest, benefits, claims and demands what so ever of the company in the project document (including but not limited to insurance contracts);

e) on the Trust and Retention Account, Debt Service Reserve Account and any other reserves and other bank accounts of the company wherever maintained.

Further, the term loan is secured by corporate guarantee of its holding company, MEP Infrastructure Developers Limited. The term loan carries rate of interest 12.35% p.a. The loan is repayable in 112 structured fortnightly installments commencing from 1 November 2010.

II) Vehicle Loans

Vehicle loan from bank amounting to Rs.Nil (March 31,2016: Rs. 5.41 Lakhs and 1st April 2015: Rs. 12.87 Lakhs) carries an interest rate 10.25% p.a. The loan is repayable in 36 monthly installments along with interest, from the date of loan. The loan is secured way of hypothecation of the respective vehicle.

Baramati Tollways Private Limited

Term loan of Rs.3,212.75 lakhs(31 March 2016 : Rs. 3,461.00 lakhs, 1 April 2015 : Rs 5,242.63 lakhs) is taken from a bank. The loan is secured by a first charge as below;

a) by assignment of all revenues and receivables of the Company;

b) first pari passu charge on mortgage of leasehold rights over the property at vacant plot admeasuring 8.4 hectors at Jalochi village, Baramati Town;

c) on escrow account of the Company;

d) by all the movable and immovable assets including receivables, both present and future if any, of the Company;

e) entire intangible assets of the Company;

f) on assignment in favour of the bank of all the right title, interest, benefits, claims of the Company
Further, the term loan is also secured as below :

30% pledge of share capital of the Company held by Rideema Toll Private Limited, the holding Company and Corporate guarantees jointly given by Rideema Toll Private Limited, the holding Company and MEP Infrastructure Developers Limited, the ultimate holding Company. The above term loan carry interest rate calculated on base rate of bank with spread of 2.50% p.a above base rate.

The loan is repayable in 39 unequal quarterly instalments commencing from September 2011.

Delay in repayment of principal installment of the loan Rs. 82.75 lakhs (As at 31 March 2016 ; Rs Nil and As at 1 April 2015 : Rs 51.00 lakhs) and interest portion of the loan of Rs. 95.72 lakhs (As at 31 March 2016; Rs Nil and As at 1 April 2015 : Rs 101.58 lakhs) from a banks over a range of 5 to 38 days. The delayed amounts have been paid subsequently on various date.

MEP Nagzari Toll Road Private Limited

I) Term loan includes loan from a bank amounting to Rs. Nil (March 31, 2016 : Rs.Nil and 1st April, 2015 : Rs.274.43 lakhs) which is secured by way of first charge of hypothecation / assignment / security interest on the escrow account of the projects financed.

Further, the term loan is also secured by corporate guarantee from MEP Infrastructure Developers Limited, its holding company and personal guarantees given by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, Directors of the holidng Company, and some of the relatives of the directors holding company .

The term loan carries an interest rate of 13.5% pa. The term loan is repayable in 33 monthly unequal installments commencing from the month of disbursement of term loan.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Non-Current Financial Liability-Borrowings (Continued)

MEP Chennai Bypass Toll Road Private Limited

I) Vehicle Loan

Vehicle loans of Rs. Nil (March 31, 2016 : Rs.4.99 lakhs and 1st April, 2015 : Rs. 12.10 lakhs) are from bank and carries an interest rate ranging from 10.75% to 11.50% p.a. The loans are repayable in 35-36 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

Rideema Toll Bridge Private Limited

I) Term loan from bank of Rs. 1227.28 Lakhs (March 31,2016: Rs. 1899.28 Lakhs and 1st April 2015: Rs. 2394.94 Lakhs) is secured by way of first charge as

a) by way of hypothecation on all the company's cash flows and receivables deposited in escrow account after meeting the priorities as provided in the escrow agreement & concession agreement

b) on entire movable assets of the company present and future

c) by way of assignment of toll collection right awarded by Hoogly river bridge commissioners at Vidyasagar Setu, Kolkata

Further the loan is secured by corporate guarantee of MEP Infrastructure Developers Limited, the Holding Company and personal guarantee of Mr. Jayant D. Mhaiskar, Director of the holding Company.

Term loan carries interest rate of base rate of bank plus a spread of 2.30% and is repayable in 4 years in equal monthly installment (2 months moratorium) from the month of disbursement.

Delayed in repayment of principal installment of the loan of Rs 58.00 lakhs from a bank. The delayed amounts have been paid subsequently on various dates.

II) Term loan from financial institution of Rs.293.19 Lakhs (March 31,2016: Rs. 350.00 Lakhs and 1st April 2015: Rs. Nil Lakhs) is secured by way of first charge as below:

a) the repayment of the facility, interest, fees, costs, charges and expenses and all other amounts payable under the agreement shall be secured in such manner including by way of mortgage in favour of ABHFL over the Property/ies at Flat No 1001, 10th Floor, Chandilier Court, Manjrekar Lane, Worli, Mumbai - 400 018

b) Personal Guarantee from Mr. Jayant D. Mhaiskar and Ms.Anuya J Mhaiskar directors of holding company

Term loan carries interest rate of 9.99% p.a and is repayable in 60 monthly unequal installments commencing from March 2016.

III) Vehicle loan

Vehicle loans from banks amounting to Rs.6.45 Lakhs (March 31,2016: Rs. 12.36 Lakhs and 1st April 2015: Rs. 4.84 Lakhs) carry an interest rate ranging between 10.25% - 11.75% p.a. The loans are repayable in 35 - 36 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

MEP Hyderabad Bangalore Toll Road Private Limited

I) Term loan of Rs 1,860.00 lakhs (Previous Year Rs.2,625.00 lakhs) from a bank is secured as below :

a) a first charge on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company;

b) a first charge by way of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);

c) immovable residential house property situated in Pune, owned by promoters.

d) corporate guarantees given by MEP Infrastructure Developers Limited, the holding company and personal guarantees by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, directors of the holding company;

e) pledge of 30% shares of the promoters of the company.

The loan carries an interest rate calculated on the base rate of the bank plus a spread of 2.50% p.a.

The loan is repayable in 16 structured Quarterly installments commencing from 31st March 2014.

Delayed in repayment of principal installment of the loan of Rs. 325.00 lakhs from a bank . The delayed amounts have been paid subsequently on various dates.

II) Commercial equipment loan

The loan amount of Rs.128.86 Lakhs (March 31,2016 Rs.192.61 lakhs and 1st April 2015: Rs. 249.95 lakhs) are from bank is secured as below;

a) First charge in favour of the Bank by way of Hypothecation of respective commercial equipments of the company.

b) Personal Guarantee given by Mr. Jayant D. Mhaiskar, director of the holding company.

c) The loan carries an interest rate of 11.50% p.a

d) The loans are repayable in 59 monthly installments along with interest, from the date of disbursement.

e) The loan is also co-borrowed by the holding company.

III) Vehicle loans

Vehicle loans of Rs 1.14 lakhs (March 31,2016 Rs.14.32 lakhs and 1st April 2015: Rs. 46.69 lakhs) are from bank and carries an interest rate ranging from 10.75% to 11.50% p.a. .The loans are repayable in 35-36 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in Lakhs)
Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Non-Current Financial Liability-Borrowings (Continued)

MEP RGSL Toll Bridge Private Limited
Bank Loans
Term loan from, balance outstanding amounting to Rs. Nil (March 31, 2016 : Rs.1,721.96 lakhs and 1st April, 2015 : Rs.3,490.82 lakhs) is secured by first pari passu charge as follow:

a) on escrow on the entire cash flow, toll collections, revenue/receivable (from the project) of the company;

b) by way of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);

c) by way of hypothecation / mortgage / assignment, as the case may be of all the rights, title, interest, benefits, claims and demands; and

d) Corporate guarantee of MEP Infrastructure Developers Limited, the holding company and personal guarantee given by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, directors of the Company and some of the relatives of the directors

The term loans carry an interest rate of 12.00% p.a.

Term loan of Rs Nil (March 31, 2016 : Rs 834.50 lakhs, April 1, 2015 : Rs 1,759.50 lakhs) is repayable in 36 unequal monthly installments after the moratorium period of three months from the date of first drawdown.

Term loan of Rs nil (March 31, 2016 : Rs 613.96 lakhs and April 1, 2015 : Rs 1,096.32 lakhs) and Rs nil (March 31, 2016 : Rs. 273.50 lakhs and April 1, 2015 : Rs 635.00 lakhs) are repayable in 36 unequal monthly installments and 33 unequal monthly installments respectively from the date of first drawdown.

Vehicle loans

Vehicle loan of Rs. 1.66 lakhs (March 31, 2016 : Rs.3.68 lakhs and 1st April, 2015 : Rs.5.49 lakhs) is from a financial institution and carry an interest rate of 10.88% p.a. .The loan is repayable in 36 monthly instalments along with interest, from the date of disbursement. The loan is secured by the way of hypothecation of the respective vehicle.

Raima Toll Road Private Limited

Term loan amount of Rs. Nil (March 31, 2016 : Rs.Nil and 1st April, 2015 : Rs.774.00 lakhs) is secured as below :

a) a first pari-passu charge by way of hypothecation on entire movable assets of the company

b) a first charge by way of hypothecation, on the company's cash flows and receivables including revenues of the company.

c) a first charge on all intangibles including but not limited to goodwill and uncalled capital,

d) a first charge on the Escrow account, DSRA and any other reserves and other bank accounts of the Company.

e) a first pari-passu charge on the cash flows and receivables of MEP Chennai Bypass Toll Road Private Limited, (herein after referred as "MEPCBTRPL") (fellow subsidiary Company) including revenues of "MEPCBTRPL".

f) a second charge by way of hypothecation, on the cash flows and receivables of MEP RGSL Toll Bridge Private Limited, a fellow subsidiary company.

g) Pledge of 30% shares of the company held by MEP Infrastructure Developers Limited, the holding company.

h) Corporate guarantees given by MEP Infrastructure Developers Limited, the holding company and personal guarantee by Mr. Jayant D. Mhaiskar, director of the holding company.

The loan carry interest rate calculated on the base rate of the bank plus a spread of 2.75% p.a.

The loan is repayable in 28 unequal monthly installments after moratorium of 3 months commencing from December 2013.

Vehicle Loans

Vehicle loans of Rs. 217.93 lakhs (March 31, 2016 : Rs.279.30 lakhs and 1st April, 2015 : Rs. 28.75 lakhs) are from bank and carries an interest rate ranging from 10.00% to 11.75% p.a. .The loans are repayable in 35-60 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

Raima Toll and Infrastructure Private Limited

Term Loan of Rs. Nil (March 31,2016: Rs.484.00 Lakhs and 1st April 2015: Rs.2376.00 Nil Lakhs) is from a bank and is secured by first charge as below;

a) by way of escrow account on entire cash flows, toll collection revenues from the project,

b) on the receivables from the project.

Further, the loan is secured by corporate guarantee given by MEP Infrastructure Developers Limited, the holding company and personal guarantee by Mr. Jayant D. Mhaiskar, director of the holding company.

The loan carries an interest rate calculated on the base rate of the bank plus a spread of 230 basis points.

The loan is repayable in 9 monthly equal instalments and the funded portion of security deposit is payable at the end of 30 months or receipt of security deposit from authority(i.e MSRDC) , whichever is earlier.

MEP Highway Solutions Private Limited

Commercial Equipment Loans

Commercial equipment loans of Rs 84.06 lakhs (previous year : 117.53 lakhs) are from a financial institution and carry an interest rate ranging from 12.00% to 12.01% p.a. .The loans are repayable in 40 monthly instalments along with interest, from the date of disbursement. The loans are secured by the way of hypothecation of the respective equipments. The loans are also secured by corporate guarantee given by MEP Infrastructure Developers Limited, the Holding Company and personal Guarantee by Mr. Jayant Mhaiskar, director of the holding Company.

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in Lakhs)
Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Non-Current Financial Liability-Borrowings (Continued)

MEP Tormato Private Limited

Term loan from bank amounting to Rs. 4050.00 Lakhs (March 31,2016: Rs. Nil and 1st April 2015: Rs. Nil Lakhs) is secured by first charge as below;

a) by way of hypothecation on all the Company's cash flows and receivables deposited in escrow account after meeting the priorities as provided in the escrow agreement & concession agreement,

b) on entire movable assets of the Company present and future and

Further, the loan secured by corporate guarantee of MEP Infrastructure Developers Limited, the Holding Company and personal guarantee of Mr. Jayant D. Mhaiskar, Director of the holding Company.

The loan is repayable in 16 quarterly instalments commencing from May 2016. The loan carries rate of interest 12.75% p.a.

Delayed in repayment of principal installment of the loan of Rs 200.00 lakhs from a bank. The delayed amounts have been paid subsequently on various dates.

MEP Infraprojects Private Limited
Bank Loans

Term loan from bank amounting to Rs. 2,169.59 Lakhs (March 31,2016: Rs. Nil and 1st April 2015: Rs. Nil Lakhs) is secured by first charge as below;

a) by way of hypothecation on all the Company's cash flows and receivables deposited in escrow account after meeting the priorities as provided in the escrow agreement & concession agreement,

b) on entire movable assets of the Company present and future,

c) by way of assignment of toll collection at Katai & Gove Toll Plaza on Kalyan Shilphata Road and

Further the loan is secured by corporate guarantee of MEP Infrastructure Developers Limited, the Holding Company and personal guarantee of Mr. Jayant D. Mhaiskar, Director of the holding Company.

The loan is repayable in 36 monthly instalments for the loan of Rs 900.00 lakhs and Rs 1269.59 lakhs commencing from March 2016 and January 2017 respectively. The loans carries rate of interest 11.90% p.a.

Delayed in repayment of principal installment of the loan of Rs 23.18 lakhs from a bank.

Delayed in repayment of principal installment of the loan of Rs 31.52 lakhs from a bank.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 19
Non-Current Financial Liability-Trade Payables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade Payables	**50,293.93**	71,375.63	140,427.84
Total	**50,293.93**	**71,375.63**	**140,427.84**

*Refer Note 32 for Liquidity Risk

Pursuant to the adoption of Ind AS, effective from 1 April 2015, all toll collection rights acquired have been accounted as "intangible assets" as required under Ind AS 38 and are amortized over the period of the respective contracts. In addition, corresponding liability which is payable to authority against acquisition of toll collection rights is recognised as trade payables These trade payables are discounted as per the payment terms of the contract.

Note 20
Provisions

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-Current Liability - Provisions			
Employee benefits			
Gratuity (Refer note 34)	**442.09**	311.87	227.38
Provision for re-surfacing	**2,362.10**	11,967.64	8,101.27
(A)	**2,804.19**	12,279.51	8,328.65
Current Liability - Provisions			
Employee benefits			
Gratuity (Refer note 34)	**49.29**	62.18	45.61
Provision for wealth tax	-	-	2.62
Provision for re-surfacing	**7,981.64**	2,062.84	602.03
(B)	**8,030.93**	2,125.02	650.26
Total (A)+(B)	**10,835.12**	14,404.53	8,978.91

Movement of provisions of Resurfacing	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening Balance	**14,030.48**	8,703.31	-
Provision made during the year	**3,489.01**	5,326.59	-
Provision utilised during the year	**(7,730.03)**	(671.22)	-
Unwinding of discount (Refer Note 30)*	**554.28**	671.80	-
Closing Balance	**10,343.74**	14,030.48	8,703.31

Resurfacing

One of the Subsidiary has obligation to re-surface / undertake major maintenance of the flyovers and allied structures at specified intervals.

One of the Subsidiary has obligation to re-surface / undertake major maintenance of the roads at specified intervals during the concession period.

*Unwinding of discount clubbed under Finance costs with Other interest costs.

Note 21
Other non-current liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Mobilisation Advance from related parties (Refer Note below (i)) *	19,480.95	-	-
Total	19,480.95	-	-

*Refer Note 25 for current portion of Moblisation Advance

i. Mobilisation Advance received from Jointly Controlled Entity

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
MEP Nagpur Ring Road 1 Pvt. Ltd.	**3,421.59**	-	-
MEP Sanjose Arawali Kante Road Pvt. Ltd	**4,657.12**	-	-
MEP Sanjose Kante Waked Road Pvt. Ltd	**6,068.31**	-	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd	**234.80**	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.	**4,572.60**	-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd	**526.53**	-	-
Total	**19,480.95**	-	-

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 22
Current Financial Liability-Borrowings
At amortised cost

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured Loans			
From banks	**7,725.84**	12,085.87	8,878.48
From financial institutions	**300.00**	-	-
Repayable on demand from Banks	**12,088.17**	12,495.72	11,715.49
Unsecured Loans			
Loans from related parties	-	25.82	100.00
Loans from others	**4.75**	4.75	4.75
Total	**20,118.76**	24,612.16	20,698.72

*Refer Note 32 for Liquidity Risk

Secured loans from banks

I) Short term loan taken by MEP Infrastructure Developers Limited

A) Term Loans from bank amounting Rs 3350.00 lakhs (March 31, 2016 : Rs 5000.13 lakhs and 1st April, 2015: Rs 5000.00 lakhs) is secured as below:
(a) First and pari passu charge on entire fixed/current assets of the Company which are not exclusively charged to other Banks/ Lenders.
(b) First charge / hypothecation / assignment of security interest on Escrow account of the projects financed;
(c) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
(d) Debt Service Reserve Account (DSRA) to be maintained for an amount equivalent to the next 3 months of interest servicing.
(e) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited;
(f) Personal Guarantee given by Mr. Jayant D. Mhaiskar director of the Company;
The term loan carries an interest rate calculated on base rate of the bank plus a spread of 2.30% p.a. The loan is repayable in bullet upon release of Bid/Performance Security by the Authority of the project financed.

B) Term Loans from bank amounting Rs 386.58 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured as below:
(a) by Hypothecation / assignment of receivables to be generated from the Toll collection at Saukala toll plaza ;
(b) pari passu charge on the project cash flows of saukala toll collection project with the BG issuing bank and exclusive charge over the performance security deposit with NHAI,
(c) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
(d) Personal Guarantee given by Mr. Jayant D. Mhaiskar and Mrs. A. J. Mhaiskar, director of the Company;
The term loan carries an interest rate calculated on base rate of the bank plus a spread of 3.25% p.a. below PLR. The loan is repayable in 12 monthly installments from the date of first disbursement commencing from October 2016.

C) Term Loans from bank amounting Rs Nil (March 31, 2016 : Rs Nil and 1st April, 2015: Rs 1028.36 lakhs) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.
(c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited;
(d) Personnel Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated at the rate of 13.% (floating) p.a. floating at monthly reset. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement commencing from June 2016.

D) Term Loans from bank amounting Rs Nil (March 31, 2016 : Rs 495.00 lakhs and 1st April, 2015: Rs Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.
(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated at the rate of 12.50 % (floating) p.a. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement commencing from June 2016

E) Term Loans from bank amounting Rs Nil (March 31, 2016 : Rs 705.00 lakhs and 1st April, 2015: Rs Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.
(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated at the rate of 12.50 % (floating) p.a. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement commencing from May 2016

F) Term Loans from bank amounting Rs Nil (March 31, 2016 : Rs 617.25 lakhs and 1st April, 2015: Rs Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable;
(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated at the rate of 12.50 % p.a. (floating) at monthly rest. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

G) Term Loans from bank amounting Rs 415.60 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured as below :
(a) by Hypothecation / assignment of receivables to be generated from the Brijghat Toll collection account of the projects financed;
(b) by Hypothecation of other movable assets, like toll equipment and performance security deposit receivable;
(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on base rate of 11.90 % p.a. (floating) at monthly rest. The loan is repayable in 12 monthly installments commencing from February 2017.

Note 22

Current Financial Liability-Borrowings (continued)

II) Term Loans from bank amounting Rs Nil (March 31, 2016 : Rs 1799.25 lakhs and 1st April, 2015: Rs Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;
(b) Pari passu charge on the project cash flows of toll collection project with the BG issuing bank and Exclusive charge over the performance security deposit with Authority and its subsidiaries for any project funded by the bank;
(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on base rate of 12.50 % p.a. (floating) i.e. 3.25% below PLR. The loan is repayable in 12 unequal monthly installments from the date of first disbursement commencing from April 2016.

Secured loan from financial institution

Term Loans from financial institution amounting Rs 300.00 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured by Pledge of such number of shares M/s MEP Infrastructure Developers Limited to provide 2.5 times of security value.
The term loan carries an interest rate 18.00% p.a. The loan is repayable in 61 days from the date of disbursement commencing from 17 May 2017.

II) Short -term loan taken by subsidiaries

Rideema Toll Bridge Private Limited

Term loans from banks of Rs.3376.16 lakhs (March 31,2016: Rs.3480.60 lakhs and 1st April 2015: Rs.2000 lakhs) are secured by way of first charge as below:

a) by way of hypothecation on all the company's cash flows and receivables deposited in escrow account after meeting the priorities as provided in the escrow agreement & concession agreement;

b) on entire movable assets of the company, current & future;

c) by way of assignment of toll collection right awarded by Hoogly river bridge commissioners at Vidyasagar Setu, Kolkata;

Further the loan is secured by corporate guarantee of MEP Infrastructure Developers Limited, the Holding Company and personal guarantee of Mr. Jayant D. Mhaiskar, Director of the holding Company.

Term loans carries an interest rate ranging 12% - 12.50% and is repayable in 11 - 12 monthly installments.

Delayed in repayment of principal installment of the loan of Rs 456.76 lakhs from a banks. The delayed amounts have been paid subsequently on various dates.

MEP IRDP Solapur Toll Road Private Limited

Term loan of Rs.Nil (March 31,2016: Rs.Nil lakhs and 1st April 2015: Rs.473.27 lakhs) from bank is secured by way of first charge of hypothecation / assignment / security interest on the escrow account of the projects financed.

Further, the term loan is also secured by corporate guarantee from MEP Infrastructure Developers Limited, the holding Company and personal guarantees given by Mr. Jayant D. Mhaiskar and Mrs. Anuya Mhaiskar, directors of the holding Company and personal guarantees of some relatives of the directors.

The term loan carry interest rate of 13.5% p.a. The term loan is repayable in 12 equal monthly instalments

MEP Road & Bridges Private Limited

Term loans include loan from a bank amounting to Rs.Nil (March 31,2016: Rs.Nil lakhs and 1st April 2015: Rs.394.50 lakhs) which is secured by way of first charge as below:

(a) assignment / hypothecation of entire cash flows, toll collection, revenue and receivables from the Toll collection ;
(b) Personal Guarantee given by Mr. Jayant D. Mhaiskar, director of holding the Company;
(c) Corporate guarantee given by MEP Infrastructure Developers Limited, (Holding Company);
(d) The term loan carries an interest rate of 13% p.a.
(e) The loan is repayable in 11 monthly installments from the date of first drawdown.

Raima Toll and Infrastructure Private Limited

Term loans include loan from a bank amounting to Rs. 216.31 Lakhs (March 31,2016: Rs.Nil Lakhs and 1st April 2015: Rs. Nil Lakhs) which is secured by way of first charge as below:

(a) by way Receivables generated from Toll collection at Kappalur, Etturvattam, Salaipdubar and Nanguneri Toll Plaza (Madurai - Kanyakumari Section) on NH No.7, and personal guarantee of Mr. Jayant D. Mhaiskar.
(b) Personal Guarantee given by Mr. Jayant D. Mhaiskar, director of holding the Company;
(c) Performance security deposit receivable from NHAI, Other movable assets like toll equipments etc. used for Toll Collection
The term loan carries an interest rate of 11.80% p.a.
The loan is repayable in 3 monthly installments commencing from October 2016.

Delayed in repayment of principal installment of the loan of Rs 216.31 lakhs from a banks over a range of 89 days (March 31,2016: Nil , 1st April 2015: Nil). The delayed amounts have been paid subsequently.

III) Loans repayable on demand

MEP Infrastructure Developers Limited

A) Loans repayable on demand include an overdraft facility from a bank amounting Rs 3656.89 lakhs (March 31, 2016 : Rs 4999.07 lakhs and 1st April, 2015: Rs 4998.27 lakhs) is secured as below:
a) First charge / hypothecation / assignment of security interest on Escrow account;
b) Personnel Guarantee given by Mr. Jayant D. Mhaiskar and Mr. Dattatray P. Mhaiskar, directors of the Company;
c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited.
Loan carries an interest rate calculated on the base rate of the bank and a spread of 3% p.a.

Note 22

Current Financial Liability-Borrowings (continued)

B) Loans repayable on demand include an overdraft facility from a bank amounting Rs 7,497.41 lakhs (March 31, 2016 : Rs 7496.65 lakhs and 1st April, 2015: Rs 6717.22 lakhs) which is secured as below:

a) First charge / hypothecation / assignment of security interest on Escrow account;
b) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
c) First charge on receivable of the projects financed.
d) Personnel Guarantee given by Mr. Jayant D. Mhaiskar, director of the Company;
e) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited.
Loan carries an interest rate calculated on the base rate of the bank and a spread of 2.50% p.a.

C) Loans repayable on demand include an overdraft facility from a bank amounting Rs 285.04 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured by TDR to be pledged in bank's favour and kept in possession of the bank duly lien marked. The loan carries an interest rate of 4.95% p.a.

D) Term loan from bank, balance outstanding amounting Rs 648.87 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured as below ;

a) First charge / hypothecation / assignment of security interest on Escrow account;
b) by First and exclusive charge /hypothecation of escrow account of the borrower through which cash flows of the project financed is routed
c) first charge by way of hypothecation of all the movable assets, present and future of the projects financed,
d) First and exclusive charge on receivables of the financed projects upfront cash margin of 5% by way of pledge of TDR.
Loan carries an interest rate of 1 year MCLR plus 3.00% i.e 12.65% p.a.

IV) Unsecured loans

A) Interest free unsecured loan from Mr. Jayant D. Mhaiskar of Rs Nil (March 31, 2016 : Rs 25.82 lakhs and April 1, 2015 : Rs 100 lakhs) is repayable on demand.

B) Interest free unsecured loan from Pratibha Industries Limited (shareholder of the subsidiary company) of Rs 4.75 lakhs (March 31, 2016 : Rs 4.75 lakhs and April 1, 2015 : Rs 4.75 lakhs) which is repayable on demand.

(Currency: Indian Rupees in Lakhs)

Note 23
Current Financial Liability-Trade payables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade payables towards purchased and services related:			
- other creditors	**82,547.08**	157,326.92	106,513.01
- dues from micro and small enterprises			0.56
Total	**82,547.08**	157,326.92	106,513.57

The carrying amount of trade payables as at reporting date at fair value.

*Refer Note 32 for Liquidity Risk

Note 23.1 Disclosure for Micro, Small and Medium Enterprises

Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-	0.56
Principal amount due to suppliers registered under the MSMED Act and 'remaining unpaid as at year end	-	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-	-
Further interest remaining due and payable for earlier years	-	-	-
	-	-	0.56

Note 24
Current Financial Liability-Others

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current maturities of long term borrowings	**24,171.00**	16,828.64	17,177.68
Interest accrued but not due on borrowings	**1,031.16**	1,298.18	1,136.11
Interest accrued and due on borrowings	**7,242.07**	2,120.69	5,897.26
Unpaid Dividends	**0.35**	-	-
Employee payables	**688.21**	714.09	644.63
Other liabilities	**5,269.76**	799.36	665.17
Total	**38,402.55**	21,760.96	25,520.85

*Refer Note 32 for Liquidity Risk

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements as at 31st March, 2017

Note 25

Other current liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Mobilisation Advance- from related parties	**13,920.06**	-	-
Toll received in advance	**1,049.59**	572.26	464.72
Advance from customers	**253.47**	157.05	-
Due to Statutory Authorities	**974.76**	613.98	1,191.79
Total	**16,197.88**	1,343.29	1,656.51

I. Mobilisation Advance received from Related Party

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
MEP Nagpur Ring Road 1 Pvt. Ltd.	**3,858.39**	-	-
MEP Sanjose Arawali Kante Road Pvt. Ltd	**2,507.68**	-	-
MEP Sanjose Kante Waked Road Pvt. Ltd	**2,855.67**	-	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd	**126.43**	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.	**4,220.87**	-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd	**351.02**	-	-
Total	**13,920.06**	-	-

Note 26

Short Term Provisions

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Employee benefits			
Gratuity (Refer Note no. 34)	**49.29**	62.18	45.61
Provision for wealth tax	-	-	2.62
Provision for re-surfacing	**7,981.64**	2,062.84	602.03
Total	**8,030.93**	2,125.02	650.27

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 27

Revenue from operations

Particulars	**For the year ended March 31, 2017**	For the year ended March 31, 2016
Toll collection	**151,431.83**	187,306.61
Construction revenue	**6,336.90**	-
Other operating Income		
Claims from authority (Refer Note 14)	**12,320.07**	3,212.66
Road repair and maintenance	**2,817.94**	
Total	**172,906.74**	190,519.27

Note 28

Other Income

Particulars	**For the year ended March 31, 2017**	For the year ended March 31, 2016
Interest Income		
- Banks	**1,033.83**	1,097.09
- Related Parties	**4,753.96**	4,750.36
- Other than related parties	**1,339.74**	1,554.61
Provisions no longer required	**1,429.98**	2.95
Dividend income	**3.99**	21.73
Facility fees		120.00
Miscellaneous income	**75.34**	22.80
Total	**8,636.84**	7,569.54

Note 28

Operating and Maintenance Expenses

Particulars	**For the year ended March 31, 2017**	For the year ended March 31, 2016
Concession fees to authority	**17,081.54**	14,832.55
Road repairing and maintenance expenses	**6,395.38**	7,284.08
Maintenance cost paid to authority	**73.36**	180.20
Toll attendant expenses	**1,864.67**	1,243.37
Supervision and independent engineer fees	**215.70**	501.62
Site expenses	**1,904.97**	1,959.21
Construction Expenses	**5,266.76**	-
Total	**32,802.38**	26,001.03

Note 29

Employee benefits expense

Particulars	**For the year ended March 31, 2017**	For the year ended March 31, 2016
Gratuity Expenses (Refer Note no 34)	**74.58**	79.16
Salaries and Wages and Bonus*	**6,263.81**	6,318.86
Contribution to Provident and Other Funds	**370.31**	400.53
Staff Welfare Expenses	**626.52**	644.80
Total	**7,335.22**	7,443.35

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 30

Finance costs

Particulars	**For the year ended March 31, 2017**	For the year ended March 31, 2016
Interest Expenses		
Banks	**24,806.09**	27,008.07
Financial Institutions	**11,441.65**	10,837.40
Other interest costs	**11,716.27**	25,566.27
Other Borrowing Costs	**599.50**	95.53
Bank guarantee and commission	**745.53**	711.52
Total	**49,309.04**	64,218.79

Note 31

Other expense

Particulars	**For the year ended March 31, 2017**	For the year ended March 31, 2016
Rent	**34.83**	18.57
Rates and Taxes	**199.10**	515.85
Goodwill Impairment	**33.99**	-
Legal, Consulancy & Professional fees	**1,228.93**	748.97
Travelling expenses	**773.82**	1,141.37
Repairs and maintenance		
'-Computers	**66.40**	66.06
'-Plant and Machinery	**39.24**	74.02
'-Others	**182.69**	207.85
Insurance	**70.43**	54.24
CSR Expense	**55.42**	5.00
Directors sitting fees	**5.72**	6.60
Advertising / sales promotion	**341.06**	344.36
Miscellaneous expenses	**858.73**	812.52
Total	**3,890.36**	3,995.41

Note 32
Financial instruments – Fair values and risk management (continued)

i. Market risk

• Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

• Currency risk: the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. Since company does not have any foreign exchange transactions, it is not exposed to this risk.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 32 (CONTD.)

1. Financial instruments – Fair values and risk management

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

A. Accounting classification and fair values

	Carrying amount			Fair value			
As at 31st March 2017	**FVTPL**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets							
Investment in Non-cumulative redeemable preference shares	2,090.00	-	2,090.00	-	2,090.00	-	2,090.00
Investment in unquoted equity shares*	86.18	-	86.18	-	-	-	-
Long term loans and advances	-	48,983.61	48,983.61	-	-	-	-
Other Non-current financial asset	-	2,696.12	2,696.12	-	-	-	-
Trade and other receivables	-	3,539.73	3,539.73	-	-	-	-
Cash and cash equivalents	-	3,538.48	3,538.48	-	-	-	-
Short term Loans & advance	-	23,452.22	23,452.22	-	-	-	-
Other Current financial asset	-	40,807.31	40,807.31	-	-	-	-
	2,176.18	**123,017.47**	**125,193.65**	-	**2,090.00**	-	**2,090.00**
Financial liabilities							
Long term borrowings	-	251,494.80	251,494.80	-	-	-	-
Non-current financial liability- Trade Payable	-	50,293.93	50,293.93	-	-	-	-
Short term borrowings	-	20,118.76	20,118.76	-	-	-	-
Trade and other payables	-	82,547.08	82,547.08	-	-	-	-
Other Current financial liabilities	-	38,402.55	38,402.55	-	-	-	-
	-	**442,857.12**	**442,857.12**	-	-	-	-

			Carrying amount				
March 31, 2016	**FVTPL**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets							
Investment in Non-cumulative redeemable preference shares	2,090.00	-	2,090.00	-	2,090.00	-	2,090.00
Investment in unquoted equity shares*	76.22	-	76.22	-	-	-	-
Long term loans and advances	-	51,221.02	51,221.02	-	-	-	-
Other Non-current financial asset	-	4,302.89	4,302.89	-	-	-	-
Trade and other receivables	-	17.27	17.27	-	-	-	-
Cash and cash equivalents	-	5,529.59	5,529.59	-	-	-	-
Current Loans	-	2,822.01	2,822.01	-	-	-	-
Other Current financial asset	-	24,455.78	24,455.78	-	-	-	-
	2,166.22	**88,348.56**	**90,514.78**	-	-	-	-
Financial liabilities							
Long term borrowings	-	263,871.85	263,871.85	-	-	-	-
Non-current financial liability- Trade Payable	-	71,375.63	71,375.63	-	-	-	-
Short term borrowings	-	24,612.16	24,612.16	-	-	-	-
Trade and other payables	-	157,326.92	157,326.92	-	-	-	-
Other Current financial liabilities	-	21,760.96	21,760.96	-	-	-	-
	-	**538,947.52**	**538,947.52**	-	-	-	-

			Carrying amount				
April 1, 2015	**FVTPL**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets							
Investment in Non-cumulative redeemable preference shares	2,090.00	-	2,090.00	-	2,090.00	-	2,090.00
Investment in unquoted equity shares*	71.21	-	71.21	-	-	-	-
Long term loans and advances	-	49,773.53	49,773.53	-	-	-	-
Other Non-current financial asset	-	3,872.62	3,872.62	-	-	-	-
Trade and other receivables	-	2,582.75	2,582.75	-	-	-	-
Cash and cash equivalents	-	4,911.11	4,911.11	-	-	-	-
Current Loans	-	5,408.10	5,408.10	-	-	-	-
Other Current financial asset	-	16,977.83	16,977.83	-	-	-	-
	2,161.21	**83,525.94**	**85,687.15**	-	-	-	-
Financial liabilities							
Long term borrowings	-	293,511.56	293,511.56	-	-	-	-
Non-current financial liability- Trade Payable	-	140,427.84	140,427.84	-	-	-	-
Short term borrowings	-	20,698.72	20,698.72	-	-	-	-
Trade and other payables	-	106,513.57	106,513.57	-	-	-	-
Other Current financial liabilities	-	25,520.85	25,520.85	-	-	-	-
	-	**586,672.54**	**586,672.54**	-	-	-	-

* The fair value in respect of the unquoted equity investments cannot be reliably estimated.

B. Measurement of fair values
Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 fair values.

Financial instruments measured at fair value

Type	Valuation technique	Significant	Inter-relationship between
Financial Assets Investment in Non-cumulative redeemable preference shares	Discounted cash flow technique- The fair value is estimated considering net present value calculated using discount rates derived from quoted prices of similar instruments with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.	Not Applicable	Not Applicable

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Credit risk ;
- Liquidity risk ; and
- Interest rate risk

i. Risk management framework

The Company's board of directors is primarily responsible to develop and monitor Company's Risk Management framework. The Company has a risk management policy in place.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Note 32 (CONTD.)

Financial instruments – Fair values and risk management (continued)

ii. Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk on its receivables is recognised on the consolidated statement of financial position at the carrying amount of those receivable assets, net of any provisions for doubtful debts. Receivable balances and deposit balances are monitored on a monthly basis with the result that the Group's exposure to bad debts is not considered to be material.

The Group has no significant concentrations of credit risk. The Company does not have any credit risk outside India.

Impairment

The ageing of trade and other receivables that were not impaired was as follows:

	Carrying amount (in INR lakhs)		
	March 31, 2017	March 31, 2016	April 1, 2015
Neither past due nor impaired	**432.33**	13.74	1,677.13
Past due 1–30 days	**904.81**	0.01	900.34
Past due 31–90 days	**1,760.99**	1.10	1.05
Past due 91–120 days	**436.54**	-	-
Past due 121–180 days	-	-	-
Past due 181–360 days	**2.35**	2.31	2.20
More than 360 days	**2.71**	0.12	2.00
Carrying amount of receivables	**3,539.73**	17.27	2,582.72

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Cash equivalents, other Bank Balance and Deposits

The Company held cash equivalents and other bank balances and deposit of Rs 15,721.12 lakhs at March 31, 2017 (March 31, 2016: Rs 15,052.93 lakhs, April 1, 2015 : Rs 14,890.64 lakhs). The cash equivalents and other bank balance and deposits are held with bank counterparties with good credit ratings.

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in Lakhs)
Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 32 (CONTD.)

Financial instruments – Fair values and risk management (continued)

iii. Liquidity risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. The group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity pattern of other Financial- Liabilities

March 31, 2017	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings and Interest thereon	295,784.56	440,197.78	75,720.42	53,570.87	171,136.08	139,770.41
Trade Payables	132,841.01	164,613.03	82,852.08	16,801.65	61,174.79	3,784.51
Other financial Liabilities Payables	14,231.55	14,231.55	14,231.55	-	-	-
	442,857.12	**619,042.36**	**172,804.06**	**70,372.52**	**232,310.87**	**143,554.91**

			Contractual cash flows			
March 31, 2016	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings and Interest thereon	305,312.65	481,754.58	74,720.64	49,596.51	157,864.43	199,573.00
Trade Payables	228,702.55	270,725.88	168,470.71	20,494.22	55,613.45	26,147.50
Other financial Liabilities Payables	4,932.32	4,932.33	4,932.33			
	538,947.52	**757,412.79**	**248,123.68**	**70,090.74**	**213,477.87**	**225,720.50**

			Contractual cash flows			
As at April 1, 2015	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowing and Interest thereon	331,387.96	558,779.99	75,436.49	52,278.55	156,060.24	275,004.71
Trade Payables	246,941.41	359,465.23	108,788.60	41,942.94	107,064.56	101,669.13
Other financial Liabilities Payables	8,343.17	8,343.16	8,343.16	-	-	-
	586,672.54	**926,588.38**	**192,568.25**	**94,221.49**	**263,124.80**	**376,673.85**

(Currency: Indian Rupees in Lakhs)

Note 32 (CONTD.)

Financial instruments – Fair values and risk management (continued)

iv. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio

Exposure to interest rate risk

Group's interest rate risk arises from borrowings. Borrowings taken and issued at fixed and floating rates which exposes Group to fair value and cashflow interest rate risk. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

	March 31, 2017	March 31, 2016	As at April 1, 2015
Fixed-rate instruments			
Financial assets	**61,874.32**	60,165.87	53,859.14
Financial liabilities	**(69,014.11)**	(155,824.61)	(180,527.23)
	(7,139.79)	**(95,658.73)**	**(126,668.09)**
Variable-rate instruments			
Financial assets	-	-	-
Financial liabilities	**(292,333.81)**	(303,293.24)	(328,223.43)
	(292,333.81)	**(303,293.24)**	**(328,223.43)**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

	Profit or loss	
	100 bp increase	**100 bp decrease**
March 31, 2017		
Variable-rate instruments	(2,923.34)	2,923.34
Cash flow sensitivity (net)	**(2,923.34)**	**2,923.34**
March 31, 2016		
Variable-rate instruments	(3,032.93)	3,032.93
Cash flow sensitivity (net)	**(3,032.93)**	**3,032.93**

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 33

Capital Management

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves . The primary objective of the Group's Capital Management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances

		Rs. in Lakhs	
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-Current Borrowings	**251,494.80**	263,871.85	293,511.56
Current Borrowings	**44,289.76**	41,440.80	37,876.40
Gross Debt	**295,784.56**	305,312.65	331,387.96
Less - Cash and Cash Equivalents	**(3,538.48)**	(5,529.59)	(4,911.11)
Less - Other Bank Deposits	**(10,883.16)**	(9,366.00)	(8,570.34)
Less - Current Investments	**-**	-	(1,063.30)
Adjusted Net debt	**281,362.92**	290,417.06	316,843.21
Total equity	**(791.52)**	(11,244.45)	(37,893.67)
Adjusted Net debt to equity ratio (*)	-	-	-

* Adjusted Net debt to Equity ratio is not calculated as the total equity values are (-)ve.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 34

Employee Benefits

Defined Contribution Plan

i) Contribution to Provident Fund
ii) Contribution to Employees State Insurance Corporation
iii) Contribution to Maharashtra Labour Welfare Fund

Contribution to defined contribution plan, recognised are charged off for the year us under

Description	**As at March 31, 2017**	As at March 31, 2016
Group's contribution to Provident Fund	**235.72**	252.73
Group's contribution to Employee state Insurance Corporation	**132.70**	145.74
Group's Contribution to Maharashtra Labour Welfare Fund	**1.89**	2.06
	370.31	400.53

Defined Benefit Plan - Gratuity

The Group / Company has a defined benefit gratuity plan Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service The Group / Company during the year provided Rs 118.10 lakhs (Previous year : Rs 103.01 lakhs) towards gratuity in the Consolidated Statement of Profit and Loss

An analysis of net (deficit)/assets is provided below for the Company's principal defined benefit gratuity scheme

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at [illegible]
Present value of funded obligations	-	-	-
Fair Value of plan assets	-	-	-
Present value of unfunded obligations	**491.38**	374.08	272.99
Net deficit/ (assets) are analysed as:			
Liabilities	**491.38**	374.08	272.99
Assets	-	-	-
Of the above net deficit:			
Current	**49.28**	62.18	45.61
Non-current	**442.10**	311.87	227.38

Fair value of the plan assets and present value of the defined benefit liabilities

The amount included in the Balance sheet arising from the Company's obligations and plan assets in respect of its defined benefit schemes is as follows:

Particulars	**For the year ended March 31, 2017**	For the year ended March 31, 2016
Movement in defined benefit obligations:		
At the beginning of the year	**374.08**	272.99
Current service cost	**51.46**	59.26
Interest cost	**22.72**	19.88
Remeasurements :		
Experience (gains)/losses	**71.52**	39.35
Benefits paid	**(23.36)**	(13.64)
Liabilities assumed / (settled)	**(5.04)**	(3.76)
At the end of the year	**491.38**	374.08

The components of defined benefit plan cost are as follows:

Particulars	**For the year ended March 31, 2017**	For the year ended March 31, 2016
Recognised in Income Statement		
Current service cost	51.46	59.26
Interest cost / (income) (net)	23.12	19.90
Net actuarial loss recognised in the current year	-	-
Curtailment/settlement	-	-
Expected return on plan assets	-	-
Total	**74.58**	79.16
Recognised in Other Comprehensive Income	**71.52**	38.95
Liabilities assumed on acquisition / (settled on divestiture)	-	-
Expense recognised in Consolidated Total Comprehensive Income	**146.10**	118.11

The principal actuarial assumptions used for estimating the Company's benefit obligations are set out below (on a weighted average basis):

Particulars	**As at March 31, 2017**	As at March 31, 2016	As at April 1, 2015
Rate of increase in salaries	**6.00%**	6.00%	6.00%
Discount rate	**6.95%**	7.85%	7.95%
Expected average remaining service life of the employees	**7.19 to 12.09**	4.76 to 11.60	5.24 to 8.68

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 34

Employee Benefits (Continued)

Notes:

The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

2. Salary escalation rate

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

3. Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

Sensitivity of the defined benefit obligation :

Particulars	**Change in Assumption**	**Effect of Gratuity Obligation**	
		As at March 31, 2017	As at March 31, 2016
Discount rate	Minus 50 basis points	**27.46**	19.70
	Plus 50 basis points	**(25.19)**	(18.11)
Salary Escalation Rate	Minus 50 basis points	**(21.35)**	(16.49)
	Plus 50 basis points	**22.68**	17.40

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

The weighted average duration of the defined benefit obligation is 7.19 years in 2017 and 11.14 in 2016.

The Company makes payment of liabilities from its cash and cash equivalent balances whenever liability arises.

Defined benefit liability and employer contribution

Expected contribution to post employment benefit plans for the year ended March 31, 2017 is 1177.45 lacs (March 31, 2016: Rs. 1047 lacs)

Particulars	**Less than a year**	**Between 1-2 years**	**Between 2-5 years**	**Over 5 years**	**Total**
March 31, 2017					
Defined benefit obligations (Gratuity)	56.46	38.26	94.29	988.44	1,177.45
Total	56.46	38.26	94.29	988.44	1,177.45
March 31, 2016					
Defined benefit obligations (Gratuity)	54.50	28.24	73.34	890.61	1,047.00
Total	54.50	28.24	73.34	890.61	1,047.00

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 35

Segment reporting

Primary business segments

The group has organised its business into two segments: (a) Toll Collection/ Repairs (b) Maintenance and Construction.

Toll Collection/ Repairs & Maintenance

The group primarily engages in toll collection.

Construction

Construction segment comprises engineering and construction of roads and bridges.

The following tables present revenue and profit information regarding the business segments for the year ended March 31, 2017 and certain asset and liability information regarding industry segments as at March 31, 2017.

A. Information about reportable segments

For the year ended March 31, 2017

Particulars	Toll Collection/ Repairs & Maintenance	Construction	Total Segments
Revenue			
External Customers	166,569.84	6,336.90	172,906.74
Inter-segment	-	-	-
Total Revenue	**166,569.84**	**6,336.90**	**172,906.74**
Segment profit / (loss) before exceptional items and tax	**45,191.56**	**718.11**	**45,909.67**
Segment profit / (loss) before exceptional items and tax includes:			
Identifiable operating expenses	34,678.88	5,458.71	40,137.59
Allocated expenses	1,206.44	160.08	1,366.52
Depreciation and amortization	85,492.96	-	85,492.96
Segment assets	**437,130.46**	**52,446.70**	**489,577.17**
Segment liabilities	**422,034.69**	**68,334.01**	**490,368.70**
Other disclosures			
Capital expenditure	4,288.35	320.50	4,608.85

B. Reconciliations of information on reportable segments to Ind AS

Particulars	Note	For the year ended March 31, 2017
(a) Profit / loss before tax		
Total profit before exceptional items and tax for reportable segments		45,909.67
Unallocated amounts:		
– Other Expenses		(53,140.84)
– Other Income		8,636.84
Total profit before exceptional items and tax from operations		**1,405.66**

For the year ended 31st March 2016 :

The Group has one reportable business segment which is toll collection and only one reportable geographical segment. All assets of the group are domiciled in india and the group earn entire revenue from its operation in india. There is no single customer which contribute more than 10% of the revenue of the group.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 36

Earnings Per Share

Basic and diluted earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit/(loss) attributable to equity shareholders (In lacs)	10,892.50	(3,658 60)
Weighted average number of equity shares	162,569,191.00	158,522,269 00
Basic earnings per equity share (Rs)	6.70	(2 31)
Diluted Earnings per share		
Profit attributable to existing and potential shareholders	10,892.50	(3,658 60)
Weighted average number of equity shares	162,569,191.00	158,522,269 00
Diluted earnings per equity share (Rs)	6.70	(2 31)

Reconciliation of weighted average number of equity shares:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Equity shares outstanding at the beginning of the year	162,569,191	111,494,250 00
Equity shares issued during the year	-	51,074,941 00
Equity shares outstanding at the end of the year	-	162,569,191 00
Total weighted average number of shares	162,569,191	158,522,269 00

Note: There is no dilution to the basic EPS as there are no outstanding potentially dilutive equity shares

Note 37

Capital Commitments and other purchase commitments

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Estimated amount of contracts remaining to be executed on capital account (net of advance)	2,645 77	2,218 87	1,602 23
	2,645.77	2,218 87	1,602 23

Note 38

Commitments - Leases

Operating lease commitments – Group as lessee

The Company had entered into operating lease agreement for premises, which is cancelled during the previous year Rent expense debited to the Statement of Profit and Loss is Nil during current and previous year in respect of non-cancellable lease agreement Also, the Group has entered into an operating lease agreement of equipment during the current year Expenses for equipment leasing debited to the Statement of Profit and Loss is Rs 30 22 lacs (Previous year: Nil) in respect of lease agreement

Future minimum lease payments under non-cancellable operating leases comprise:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Lease payment recognized in the Statement of Profit and Loss(Refer Note 32)			
Future minimum lease payments:			
Due not later than one year	360.12	-	8 33
Due later than one year but not later than five years	1,494.18	-	1 39
Later than five years	-	-	-
Total (A)	1,854.30	-	9 71

Note 39

Contingent Liabilities

Particulars	As at March 31, 2017	As at March 31. 2016	As at April 1, 2015
Interest on late payments to Maharashtra State Road Development Corporation Limited	1,289.00	-	-
Claims made against the Company not acknowledged as debts by the Company*	23,534.48	29,446 38	20,680 16
Guarantees given by banks	63,899.91	48,280 05	38,143 40
Corporate guarantees given	197,776.95	-	-
Total	286,500.34	77,726.43	58,823 56

*Claim against the Company not acknowledged as debts includes Rs 8171 20 lakhs (March 31, 2016: Rs 8,171 20 lakhs and April 1, 2015: 8,171 20 lakhs) This relates to taxability of toll collection pursuant to contracts with MSRDC and NHAI under the category of 'Business Auxiliary Services' The Department had filed an appeal against the favourable order passed by the Commissioner of Service Tax, Mumbai - II The matter is currently pending at CESTAT, Mumbai

Note 40

Disclosure pursuant to Construction Contracts

Particulars	2016-17	2015-16
Contract revenue recognised for the financial year	6,336.90	-
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) as at the end of the financial year for all contracts in progress as at that date	6,336.90	-
Amount of customer advances outstanding for contracts in progress as at the end of the financial year	33,401.02	-
Retention amount by customers for contracts in progress as at the end of the financial year	170.15	-
Billed Revenue	3,403.01	
Unbilled Revenue/(Excess Billing to customer)	2,933.89	

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in Lakhs)
Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 41
Related party transactions

A) Names of related parties and nature of relationship

Other related parties with whom transactions have taken place during the year

Holding Company	Ideal Toll & Infrastructure Private Limited (Upto April 30, 2015)	
Jointly controlled entities	KVM Technology Solutions Private Limited SMYR Consortium LLP MEP Nagpur Ring Road 1 Pvt. Ltd. MEP Sanjose Arawali Kante Road Pvt. Ltd MEP Sanjose Kante Waked Road Pvt. Ltd MEP Sanjose Mahuva Kagavadar Road Pvt. MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd. MEP Sanjose Talaja Mahuva Road Pvt. Ltd	
Enterprises over which significant influence is exercised by key managerial personnel	MEP Toll Gates Private Limited VCR Toll Services Private Limited MEP Una Bus Terminal Private Limited MEP Hamirpur Bus Terminal Private Jan Transport D S Enterprises Ideal Energy Projects Limited IEPL Power Trading Company Private Rideema Enterprises A.J. Tolls Private Limited Ideal Hospitality Private Limited Ideal Toll & Infrastructure Private Limited (From May 1, 2015)	
Key Management Personnel	Mr. Jayant Mhaiskar	Vice Chairman and Managing Director
	Mr. Murzash Manekshana	Executive Director
	Mr. M. Sankaranarayanan	Chief Financial officer
	Mr. Shridhar Phadke	Company Secretary

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 41 Related Party Transactions (CONTD.)

B. **Disclosures of material transactions with related parties and balances at the year end**

Particulars	Holding company / Associate Concern		Enterprises over which significant influence is exercised by key managerial personnel		Jointly controlled entities/ Associates		Key managerial personnel		Total	
	March 31, 2017	March 31, 2016	**March 31, 2017**	March 31, 2016	**March 31, 2017**	March 31, 2016	**March 31, 2017**	March 31, 2016	**March 31, 2017**	March 31, 2016
I) Transactions during the year										
Construction Revenue									-	-
MEP Nagpur Ring Road 1 Pvt Ltd	-	-	-	-	**3,911.80**	-	-	-	**3,911.80**	-
MEP Sanjose Arawali Kante Road Pvt Ltd	-	-	-	-	**299.67**	-	-	-	**299.67**	-
MEP Sanjose Kante Waked Road Pvt Ltd	-	-	-	-	**42.47**	-	-	-	**42.47**	-
MEP Sanjose Mahuva Kagavadar Road Pvt Ltd	-	-	-	-	**45.06**	-	-	-	**45.06**	-
MEP Sanjose Nagpur Ring Road 2 Pvt Ltd	-	-	-	-	**1,985.55**	-	-	-	**1,985.55**	-
MEP Sanjose Talaja Mahuva Road Pvt Ltd	-	-	-	-	**52.35**	-	-	-	**52.35**	-
Income from Roads Operation & maintenance									-	-
KVM Technology Solutions Private Limited	-	-	-	-	-	4.85	-	-	-	4.85
MEP Nagpur Ring Road 1 Pvt Ltd	-	-	-	-	**491.00**	-	-	-	**491.00**	-
MEP Sanjose Arawali Kante Road Pvt Ltd	-	-	-	-	**336.02**	-	-	-	**336.02**	-
MEP Sanjose Kante Waked Road Pvt Ltd	-	-	-	-	**347.20**	-	-	-	**347.20**	-
MEP Sanjose Mahuva Kagavadar Road Pvt Ltd	-	-	-	-	**348.32**	-	-	-	**348.32**	-
MEP Sanjose Nagpur Ring Road 2 Pvt Ltd	-	-	-	-	**500.00**	-	-	-	**500.00**	-
MEP Sanjose Talaja Mahuva Road Pvt Ltd	-	-	-	-	**420.14**	-	-	-	**420.14**	-
Toll Attendant Charges paid										
D S Enterprise	-	-	**572.41**	-	-	-	-	-	**572.41**	-
Penal charges Received										
D S Enterprise	-	-	**1,070.21**	-	-	-	-	-	**1,070.21**	-
Expenses incurred on behalf of									-	-
Ideal Toll & Infrastructure Private Limited	**92.28**	-	-	-	-	-	-	-	**92.28**	-
KVM Technology Solutions Private Limited	-	-	-	-	-	206.10	-	-	-	206.10
MEP Nagpur Ring Road 1 Pvt Ltd	-	-	-	-	**147.67**	-	-	-	**147.67**	-
MEP Sanjose Arawali Kante Road Pvt Ltd	-	-	-	-	**227.09**	-	-	-	**227.09**	-
MEP Sanjose Kante Waked Road Pvt Ltd	-	-	-	-	**307.76**	-	-	-	**307.76**	-
MEP Sanjose Mahuva Kagavadar Road Pvt Ltd	-	-	-	-	**60.71**	-	-	-	**60.71**	-
MEP Sanjose Nagpur Ring Road 2 Pvt Ltd	-	-	-	-	**120.85**	-	-	-	**120.85**	-
MEP Sanjose Talaja Mahuva Road Pvt Ltd	-	-	-	-	**106.45**	-	-	-	**106.45**	-
Expenses incurred on our behalf of										
MEP Sanjose Talaja Mahuva Road Pvt Ltd	-	-	-	-	**19.08**	-	-	-	**19.08**	-
MEP Sanjose Mahuva Kagavadar Road Pvt Ltd	-	-	-	-	**12.37**	-	-	-	**12.37**	-
MEP Sanjose Kante Waked Road Pvt Ltd	-	-	-	-	**2.02**	-	-	-	**2.02**	-
MEP Sanjose Arawali Kante Road Pvt Ltd	-	-	-	-	**1.19**	-	-	-	**1.19**	-
MEP Nagpur Ring Road 1 Pvt Ltd	-	-	-	-	**111.41**	-	-	-	**111.41**	-
MEP Sanjose Nagpur Ring Road 2 Pvt Ltd	-	-	-	-	**269.77**	-	-	-	**269.77**	-
Loans given										
MEP Toll Gates Private Limited	-	-	**3.06**	-	-	-	-	-	**3.06**	-
Loan Repayments received during the year									-	-
Ideal Toll & Infrastructure Private Limited	-	222.63	-	-	-	-	-	-	-	222.63

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 41 Related Party Transactions (CONTD.)

B. **Disclosures of material transactions with related parties and balances at the year end**

Particulars	Holding company / Associate Concern		Enterprises over which significant influence is exercised by key managerial personnel		Jointly controlled entities/ Associates		Key managerial personnel		Total	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Mobilisation Advances given										
Ideal Toll & Infrastructure Private Limited	-	203.20	-	-	-	-	-	-	-	203.20
Repayment of Mobilisation advances given										
Ideal Toll & Infrastructure Private Limited	-	433.73	-	-	-	-	-	-	-	433.73
Mobilization received									-	-
MEP Nagpur Ring Road 1 Pvt Ltd	-	-	-	-	7,279.98	-	-	-	7,279.98	-
MEP Sanjose Arawali Kante Road Pvt Ltd	-	-	-	-	7,164.80	-	-	-	7,164.80	-
MEP Sanjose Kante Waked Road Pvt Ltd	-	-	-	-	8,923.98	-	-	-	8,923.98	-
MEP Sanjose Mahuva Kagavadar Road Pvt Ltd	-	-	-	-	361.22	-	-	-	361.22	-
MEP Sanjose Nagpur Ring Road 2 Pvt Ltd	-	-	-	-	8,793.49	-	-	-	8,793.49	-
MEP Sanjose Talaja Mahuva Road Pvt Ltd	-	-	-	-	877.55	-	-	-	877.55	-
Sale of Investments									-	-
A J Tolls Private Limited	-	-	3.30	-	-	-	-	-	3.30	-
Loans repaid during the year									-	-
MEP Hamirpur Bus Terminal Private Limited	-	-	-	0.61	-	-	-	-	-	0.61
MEP Una Bus Terminal Private Limited	-	-	-	1.92	-	-	-	-	-	1.92
Mr Jayant Mhaiskar	-	-	-	-	-	-	-	74.18	-	74.18
Interest income										
Ideal Toll & Infrastructure Private Limited	5,699.52	1,274.58	-	-	-	-	-	-	5,699.52	1,274.58
MEP Toll Gates Private Limited	-	-	21.63	25.06	-	-	-	-	21.63	25.06
Receipt of Interest Income									-	-
Ideal Toll & Infrastructure Private Limited	-	1,385.32	-	-	-	-	-	-	-	1,385.32
Investment in Equity shares										
KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	-	-
MEP Nagpur Ring Road 1 Pvt Ltd	-	-	-	-	2,960.74	-	-	-	2,960.74	-
MEP Sanjose Arawali Kante Road Pvt Ltd	-	-	-	-	3,291.74	-	-	-	3,291.74	-
MEP Sanjose Kante Waked Road Pvt Ltd	-	-	-	-	4,586.74	-	-	-	4,586.74	-
MEP Sanjose Mahuva Kagavadar Road Pvt Ltd	-	-	-	-	0.60	-	-	-	0.60	-
MEP Sanjose Nagpur Ring Road 2 Pvt Ltd	-	-	-	-	3,572.66	-	-	-	3,572.66	-
MEP Sanjose Talaja Mahuva Road Pvt Ltd	-	-	-	-	0.60	-	-	-	0.60	-
Share Application Money paid									-	-
MEP Nagpur Ring Road 1 Pvt Ltd	-	-	-	-	2,011.79	-	-	-	2,011.79	-
MEP Sanjose Arawali Kante Road Pvt Ltd	-	-	-	-	110.10	-	-	-	110.10	-
MEP Sanjose Kante Waked Road Pvt Ltd	-	-	-	-	129.20	-	-	-	129.20	-
MEP Sanjose Mahuva Kagavadar Road Pvt Ltd	-	-	-	-	620.62	-	-	-	620.62	-
MEP Sanjose Nagpur Ring Road 2 Pvt Ltd	-	-	-	-	1,976.94	-	-	-	1,976.94	-
MEP Sanjose Talaja Mahuva Road Pvt Ltd	-	-	-	-	1,477.61	-	-	-	1,477.61	-
Managerial remuneration										
Mr. Jayant Mhaiskar	-	-	-	-	-	-	123.65	132.90	123.65	132.90
Mr. Murzash Manekshana	-	-	-	-	-	-	112.31	243.90	112.31	243.90
Mr. M Sankaranarayanan	-	-	-	-	-	-	59.92	54.78	59.92	54.78
Mr. Shridhar Phadke	-	-	-	-	-	-	19.85	16.86	19.85	16.86

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)
Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 41 Related Party Transactions (CONTD.)

B. **Disclosures of material transactions with related parties and balances at the year end**

***Compensation to key managerial personnel of the Company (Rs. in lakhs)**

Nature of benefits	Year Ended 31 March 2017	Year Ended 31 March 2016
Short Term Employee Benefits		
Mr. Jayant Mhaiskar	120.00	130 00
Mr. Murzash Manekshana	47.63	240.00
Mr. M. Sankaranarayanan	56.14	52.09
Mr. Shridhar Phadke	17.15	15.54
Post-employment Benefits		
Mr. Jayant Mhaiskar	3.65	2.90
Mr. Murzash Manekshana	4.68	3.90
Mr. M. Sankaranarayanan	3.78	2.69
Mr. Shridhar Phadke	2.70	1.32
Total Compensation paid to key managerial personnel	255.73	448.44

(Currency: Indian Rupees in Lakhs)

Note 41 Related Party Transactions (CONTD.)

B. Disclosures of material transactions with related parties and balances at the year end

Particulars	Holding company / Associate Concern			Enterprises over which significant influence is exercised by key managerial personnel			Jointly controlled entities/ Associates			Key managerial personnel			Total		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
II) Balances at the end of the year															
Loans and advances receivable															
Ideal Toll & Infrastructure Private Limited	44,726.06	45,693.26	42,465.19	-	-	-	-	-	-	-	-	-	44,726.06	45,693.26	42,465.19
MEP Toll Gates Private Limited	-	-	-	203.06	200.00	200.00	-	-	-	-	-	-	203.06	200.00	200.00
MEP Hamirpur Bus Terminal Private Limited	-	-	-	-	-	0.61	-	-	-	-	-	-	-	-	0.61
MEP Una Bus Terminal Private Limited	-	-	-	-	-	1.92	-	-	-	-	-	-	-	-	1.92
Rideema Enterprises	-	-	-	7.26	-	-	-	-	-	-	-	-	7.26	-	-
Mobilisation advance given															
Ideal Toll & Infrastructure Private Limited	-	6,180.28	6,739.68	-	-	-	-	-	-	-	-	-	-	6,180.28	6,739.68
Mobilisation advance received															
MEP Nagpur Ring Road 1 Pvt. Ltd.	-	-	-	-	-	-	7,279.98	-	-	-	-	-	7,279.98	-	-
MEP Sanjose Arawali Kante Road Pvt. Ltd	-	-	-	-	-	-	7,164.80	-	-	-	-	-	7,164.80	-	-
MEP Sanjose Kante Waked Road Pvt. Ltd	-	-	-	-	-	-	8,923.98	-	-	-	-	-	8,923.98	-	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd	-	-	-	-	-	-	361.22	-	-	-	-	-	361.22	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd	-	-	-	-	-	-	8,793.49	-	-	-	-	-	8,793.49	-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd	-	-	-	-	-	-	877.54	-	-	-	-	-	877.54	-	-
Share Application Money															
MEP Nagpur Ring Road 1 Pvt. Ltd.	-	-	-	-	-	-	2,011.79	-	-	-	-	-	2,011.79	-	-
MEP Sanjose Arawali Kante Road Pvt. Ltd	-	-	-	-	-	-	110.10	-	-	-	-	-	110.10	-	-
MEP Sanjose Kante Waked Road Pvt. Ltd	-	-	-	-	-	-	129.20	-	-	-	-	-	129.20	-	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd	-	-	-	-	-	-	(346.60)	-	-	-	-	-	(346.60)	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.	-	-	-	-	-	-	1,976.94	-	-	-	-	-	1,976.94	-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd	-	-	-	-	-	-	1,477.61	-	-	-	-	-	1,477.61	-	-
Unsecured loans/advances payable															
Mr. Jayant Mhaiskar	-	-	-	-	-	-	-	-	-	-	25.82	100.00	-	25.82	100.00
Other receivables															
VCR Toll Services Private Limited	-	-	-	21.01	18.76	11.74	-	-	-	-	-	-	21.01	18.76	11.74
KVM Technology Solutions Private Limited	-	-	-	-	-	5.77	143.51	143.27	-	-	-	-	143.51	143.27	5.77
SMYR LLP	-	-	-	-	-	-	330.05	329.18	-	-	-	-	330.05	329.18	-
MEP Nagpur Ring Road 1 Pvt. Ltd.	-	-	-	-	-	-	158.57	-	-	-	-	-	158.57	-	-
MEP Sanjose Arawali Kante Road Pvt. Ltd	-	-	-	-	-	-	225.90	-	-	-	-	-	225.90	-	-
MEP Sanjose Kante Waked Road Pvt. Ltd	-	-	-	-	-	-	305.73	-	-	-	-	-	305.73	-	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd	-	-	-	-	-	-	48.34	-	-	-	-	-	48.34	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.	-	-	-	-	-	-	47.84	-	-	-	-	-	47.84	-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd	-	-	-	-	-	-	87.37	-	-	-	-	-	87.37	-	-
Ideal Toll & Infrastructure Private Limited	92.28	-	-	-	-	160.80	-	-	-	-	-	-	92.28	-	160.80
Rideema Enterprsies	-	-	-	-	4.07	6.94	-	-	-	-	-	-	-	4.07	6.94
Other Liabilities															
Ideal Toll & Infrastructure Private Limited	-	7.83	-	-	-	-	-	-	-	-	-	-	-	7.83	-
KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd	-	-	-	-	-	-	148.92	-	-	-	-	-	148.92	-	-
Capital advance given															
Ideal Toll & Infrastructure Private Limited	2,297.77	2,463.77	2,694.30	-	-	-	-	-	-	-	-	-	2,297.77	2,463.77	2,694.30
Trade receivables															
D.S Enterprise	-	-	-	42.28	-	2,551.53	-	-	-	-	-	-	42.28	-	2,551.53
MEP Nagpur Ring Road 1 Pvt. Ltd.	-	-	-	-	-	-	1,144.86	-	-	-	-	-	1,144.86	-	-
MEP Sanjose Arawali Kante Road Pvt. Ltd	-	-	-	-	-	-	329.30	-	-	-	-	-	329.30	-	-
MEP Sanjose Kante Waked Road Pvt. Ltd	-	-	-	-	-	-	340.25	-	-	-	-	-	340.25	-	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd	-	-	-	-	-	-	341.35	-	-	-	-	-	341.35	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.	-	-	-	-	-	-	883.34	-	-	-	-	-	883.34	-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd	-	-	-	-	-	-	411.74	-	-	-	-	-	411.74	-	-

Particulars	Holding company / Associate Concern			Enterprises over which significant influence is exercised by key managerial personnel			Jointly controlled entities/ Associates			Key managerial personnel			Total		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Managerial remuneration															
Mr. Jayant Mhaiskar	-	-	-	-	-	-	-	-	-	-	5.55	5.73	-	5.55	5.73
Mr. Amrya J. Mhaiskar	-	-	-	-	-	-	-	-	-	-	2.20	-	-	2.20	-
Mr. Murzash Manekshana	-	-	-	-	-	-	-	-	-	-	12.94	10.69	-	12.94	10.69
Mr. M. Sankaranarayanan	-	-	-	-	-	-	-	-	-	-	2.87	2.19	-	2.87	2.19
Mr. Shridhar Phadke	-	-	-	-	-	-	-	-	-	-	0.50	0.18	-	0.50	0.18
Interest receivable on loan given															
Ideal Toll & Infrastructure Private Limited	3,436.28	-	32.45	-	-	-	-	-	-	-	-	-	3,436.28	-	32.45
IEPL Power Trading Company Private Limited	-	-	-	-	0.58	0.58	-	-	-	-	-	-	-	0.58	0.58
MEP Toll Gates Private Limited	-	-	-	68.21	44.07	21.56	-	-	-	-	-	-	68.21	44.07	21.56
A J Tolls Private Limited	-	-	-	-	0.17	0.17	-	-	-	-	-	-	-	0.17	0.17

*Outstanding balances at period end are unsecured and considered good.

C. **Disclosures of Commitments with related parties and balances at the year end**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Construction Contracts with Joint Controlled entities	345,973.05	-	-

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2017

Note 42(i)

Additional information as required by Schedule III to the Companies Act, 2013

Name of the entity	Net assets, i.e. total asset minus total liabilities 2014-2015	
	As % of consolidated net assets	Amount
Parent		
MEP Infrastructure Developers Limited	-67 02%	25,396.22
Subsidiaries		
MEP Infrastructure Private Limited	53 33%	(20,210.00)
Raima Ventures Private Limited	1.68%	(637.48)
Rideema Toll Private Limited	1 36%	(514 06)
Baramati Tollways Private Limited (Through Rideema Toll Private Limited,)	3 04%	(1,151 93)
Rideema Toll Bridge Private Limited	2 51%	(950 22)
MEP Nagzari Toll Road Private Limited	1 05%	(396.20)
MEP IRDP Solapur Toll Road Private Limited	0.21%	(77 99)
MEP Hyderabad Bangalore Toll Road Private Limited	18 06%	(6,844 68)
Raima Toll Road Private Limited	11 56%	(4,381 11)
MEP Chennai Bypass Toll Road Private Limited	23 73%	(8,990.67)
MEP Highway Solutions Private Limited	-3 32%	1,257.86
MEP RGSL Toll Bridge Private Limited (Formerly known as MEP Projects Private Limited)	-1.75%	663 67
Raima Toll and Infrastructure Private Limited (Formerly known as Raima Manpower and Consultancy Services Private Limited)	-3.07%	1,163 50
MEP Roads & Bridges Private Limited	0 00%	-
Mhaiskar Toll Road Private Limited	0 00%	-
MEP Infra Constructions Private Limited	0.00%	-
MEP Toll & Infrastructure Private Limited	0 00%	-
MEP Tormato Private Limited	0 00%	(0.19)
MEP Infraprojects Private Limited	0 00%	-
Subtotal	**41.36%**	**(15,673.28)**
Total elimination	**58.64%**	**(22,220.39)**
Total	**100.00%**	**(37,893.67)**
Associates (Investment as per Equity Method)		
KVM Technology Solutions Private Limited	-	-
Grand Total		**(37,893.67)**

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2017

Note 42(ii)

Additional information as required by Schedule III to the Companies Act, 2013

Name of the entity	Net assets, i.e. total asset minus total liabilities As at 31 March, 2016		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
MEP Infrastructure Developers Limited	-522 49%	58,751.47	-94 32%	3,030.49	34 97%	(9 11)	-93 28%	3,021.38
Subsidiaries								
MEP Infrastructure Private Limited	-39 17%	4,405.00	50.13%	(1,610 47)	10 98%	(2 86)	49 81%	(1,613.37)
Raima Ventures Private Limited	-0.58%	65.20	-21.85%	702 16	-1 97%	0.51	-21 69%	702.68
Rideema Toll Private Limited	3 97%	(446 56)	-2 10%	67 51	0.00%		-2 08%	67 51
Baramati Tollways Private Limited (Through Rideema Toll Private Limited.)	-4 99%	560 95	-5 33%	171.30	2 02%	(0 53)	-5.27%	170.77
Rideema Toll Bridge Private Limited	3.43%	(385 15)	13 41%	(430.77)	15.49%	(4.04)	13.42%	(434 81)
MEP Nagzari Toll Road Private Limited	4.33%	(487 02)	2 83%	(90.82)	0.00%		2.80%	(90.82)
MEP IRDP Solapur Toll Road Private Limited	0 12%	(14 05)	-1 95%	62 79	0.27%	(0.07)	-1 94%	62.72
MEP Hyderabad Bangalore Toll Road Private Limited	85 41%	(9,603 45)	124.93%	(4,013 93)	5.18%	(1.35)	123 97%	(4,015.28)
Raima Toll Road Private Limited	57 72%	(6,490.59)	78 46%	(2,520.80)	19.90%	(5.18)	77 99%	(2,525.98)
MEP Chennai Bypass Toll Road Private Limited	83.08%	(9,342.33)	10 87%	(349 17)	9.57%	(2 49)	10 86%	(351.66)
MEP Highway Solutions Private Limited	-17 96%	2,019.73	-18 63%	598 51	2.45%	(0.64)	-18.46%	597.87
MEP RGSL Toll Bridge Private Limited (Formerly known as MEP Projects Private Limited)	-15 16%	1,704 61	-32 40%	1,041 09	0 60%	(0.16)	-32.14%	1,040 93
Raima Toll and Infrastructure Private Limited (Formerly known as Raima Manpower and Consultancy Services Private Limited)	-14 46%	1,625 81	-14 39%	462.46	0 55%	(0.14)	-14.27%	462 31
MEP Roads & Bridges Private Limited	-1.66%	186.98	-3 55%	114 02	-	-	-3 52%	114 02
Mhaiskar Toll Road Private Limited	0.00%	0 24	0.01%	(0 45)	-	-	0 01%	(0 45)
MEP Infra Constructions Private Limited	0 00%	0.25	0.01%	(0 45)	-	-	0 01%	(0 45)
MEP Toll & Infrastructure Private Limited	0 00%	0 25	0 01%	(0 45)	-	-	0 01%	(0 45)
MEP Tormato Private Limited	-7 50%	843.50	14 17%	(455 31)	-	-	14.06%	(455 31)
MEP Infraprojects Private Limited	0 00%	0.26	0 01%	(0 44)	-	-	0.01%	(0.44)
Subtotal	-385 92%	43,395 10	100 31%	(3,222 74)	100 00%	(26.06)	100 31%	(3,248.84)
Total elimination	485.92%	(54,639 54)	-0 31%	9.90	0 00%	-	-0 31%	9 94
Total	100.00%	(11,244.45)	100.00%	(3,212.84)	100.00%	(26.06)	100.00%	(3,238.90)
Associates (Investment as per Equity Method)								
KVM Technology Solutions Private Limited		-		(60.67)				(60.67)
Joint Ventures (Investment as per equity method)								
SMYR Consortium LLP		-		(385.09)				(385.09)
Grand Total		**(11,244.45)**		**(3,658.60)**		**(26.06)**		**(3,684.66)**

MEP Infrastructure Developers Limited
(Currency: Indian Rupees in Lakhs)
Notes forming part of the consolidated financial statements for the year ended 31st March, 2017

Note 42(iii)
Additional information as required by Schedule III to the Companies Act, 2013

Name of the entity	Net assets, i.e. total asset minus total liabilities As at 2017		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
MEP Infrastructure Developers Limited	-7593.18%	60,101.32	16.26%	1,767.83	55.34%	(26.65)	16.08%	1,741.18
Subsidiaries								
MEP Infrastructure Private Limited	-706.62%	5,593.04	11.00%	1,196.55	17.83%	(8.59)	10.97%	1,187.96
Raima Ventures Private Limited	-11.09%	87.77	0.21%	22.57			0.21%	22.57
Rideema Toll Private Limited	115.82%	(916.76)	-4.32%	(470.21)	0.00%		-4.34%	(470.21)
Baramati Tollways Private Limited (Through Rideema Toll Private Limited.)	-200.94%	1,590.48	10.10%	1,097.88	1.54%	(0.74)	10.13%	1,097.14
Rideema Toll Bridge Private Limited	54.77%	(433.52)	-0.38%	(41.51)		(6.86)	-0.45%	(48.38)
MEP Nagzari Toll Road Private Limited	67.18%	(531.72)	-0.41%	(44.70)	0.00%		-0.41%	(44.70)
MEP IRDP Solapur Toll Road Private Limited	-6.05%	47.87	0.57%	62.00	0.00%	-	0.57%	62.00
MEP Hyderabad Bangalore Toll Road Private Limited	1595.28%	(12,626.91)	-27.76%	(3,018.82)	9.65%	(4.65)	-27.93%	(3,023.47)
Raima Toll Road Private Limited	-458.09%	3,625.88	93.04%	10,116.46		-	93.45%	10,116.46
MEP Chennai Bypass Toll Road Private Limited	1196.85%	(9,473.30)	-1.20%	(130.97)	0.00%		-1.21%	(130.97)
MEP Highway Solutions Private Limited	-166.24%	1,315.83	-6.47%	(704.06)	-0.33%	0.16	-6.50%	(703.90)
MEP RGSL Toll Bridge Private Limited (Formerly known as MEP Projects Private Limited)	-363.63%	2,878.21	10.80%	1,174.26	1.37%	(0.66)	10.84%	1,173.60
Raima Toll and Infrastructure Private Limited (Formerly known as Raima Manpower and Consultancy Services Private Limited)	-226.48%	1,792.62	1.53%	166.81		-	1.54%	166.81
MEP Roads & Bridges Private Limited	-23.97%	189.69	0.03%	2.72			0.03%	2.72
Mhaiskar Toll Road Private Limited	0.00%	0.00	0.00%	(0.24)			0.00%	(0.24)
MEP Infra Constructions Private Limited	0.00%	-	0.00%	(0.31)			0.00%	(0.31)
MEP Toll & Infrastructure Private Limited	0.01%	(0.07)	0.00%	(0.31)	0.00%		0.00%	(0.31)
MEP Tormato Private Limited	-67.37%	533.26	-2.85%	(310.07)		(0.17)	-2.87%	(310.21)
MEP Infraprojects Private Limited	2.33%	(18.41)	-0.17%	(18.67)			-0.17%	(18.67)
Subtotal	-6791.42%	53,755.28	99.94%	10,867.21	85.40%	(48.16)	99.94%	10,819.07
Total elimination	6891.42%	(54,546.79)	0%	6.41	0.01%	(0.00)	0.06%	6.39
Total	**100.00%**	**(791.52)**	**100%**	**10,873.63**	**85.41%**	**(48.17)**	**100.00%**	**10,825.46**
Associates (Investment as per Equity Method)								
KVM Technology Solutions Private Limited		6.99		6.99		-		6.99
Joint Ventures (Investment as per equity method)								
SMYR Consortium LLP		-		-		-		-
MEP Nagpur Ring Road 1 Pvt. Ltd		3,029.10		68.36		-		68.36
MEP Sanjose Arawali Kante Road Pvt Ltd		3,271.66		(20.08)		-		(20.08)
MEP Sanjose Kante Waked Road Pvt Ltd		4,563.43		(23.31)		-		(23.31)
MEP Sanjose Mahuva Kagavadar Road Pvt Ltd		-		(9.30)		-		(9.30)
MEP Sanjose Nagpur Ring Road 2 Pvt Ltd		3,577.98		5.35		-		5.35
MEP Sanjose Talaja Mahuva Road Pvt. Ltd		-		(9.14)		-		(9.14)
Grand Total		**13,657.64**		**10,892.50**		**(48.17)**		**10,844.33**

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 43

Utilization of proceeds from Initial Public Offer

During the Financial Year 2015-16, funds were raised pursuant to an Initial Public Offering (IPO) For:

(i) Repayment / Pre-payment in full or part of certain loans availed by the Company's Subsidiary viz. MEP Infrastructure Private Limited (MIPL), and

(ii) General Corporate Purposes.

The amount was utilized fully as on 31 March 2016 as follows:

I)

Particulars	Amounts
Issue Proceeds	32,400.00
Less : Issue Expenses accounted upto 31 March 2016	(1,869.53)
Net Proceeds from IPO	**30,530.47**

II)

Particulars	Amounts
Amount utilized upto 31 March 2016 :	
(a) Prepayment/repayment loans availed by MEP	26,233.19
(b) General Corporate Purposes	4,297.28
Net Proceeds from IPO	**30,530.47**

III)

Particulars	Amounts
Amount unutilized as on 31 March 2016 : (in case, if any)	-

Note 44

Claims

One of the Company's subsidiary company has preferred claims with the Authority, aggregating Rs. 33,973.75 lakhs plus interest on account of Toll Evasion and Force Majeure issues arising from non-compliance of the Concession Agreement by Authority. The Company's subsidiary has not recognised the claims in the financial statements pending final approval from Authority. Under the orders of the Hon'ble High Court of Delhi, both the Company and Authority were directed to amicably settle the disputes. As a part of the amicable settlement, Independent Engineer has evaluated the claims made by the Company from time to time. However, final settlement on the same is yet to conclude. The estimated loss during the corresponding period as assessed by the Independent Engineer appointed by the Authority is much higher than the claims submitted to Authority. Hence, the Company's subsidiary has not recognised amount payable to Authority aggregating Rs.280 lakhs during the year ended 31 March 2017(Previous year: 12,843.19 lakhs; Year ended 31st March 2015: 3846.50 lakhs). As part of the settlement, the Company, has handed over the Project Facilities and the Toll Plaza's to the NHAI from April 09, 2016. The Settlement of claims will be dealt as per the provisions of the Concession Agreement, and the matter is currently under arbitration.

Note 45

Exceptional items

One of the Company's subsidiary company handed over Project to the Authority on 25 August 2016. Consequently, the net provisions relating to major road maintenance amounting Rs. 3567.21 lakhs (comprising provisions of Rs. 5455.29 lakhs disclosed as Exceptional item and deferred tax there on amounting Rs. 1888.08 lakhs included in tax expenses) and the intangible assets amounting to Rs. 64,684.04 lakhs & concession fees payable to the authority amounting to Rs. 75,022.09 lakhs (on which deferred tax amounts to Rs 3,578.00 lakhs) recognised consequent to the transition to Ind AS upto the previous financial year are reversed during the financial year 31 March 2017. We believe that there would not be any material claims made by the authority on the subsidiary and therefore no provisions for any costs that may arise have been presently recognized . Further, the subsidiary has lodged claims on account of lesser user fee paid by State Transport buses with the concerned authority on an estimated basis amounting Rs 3,008.66 lacs for the year ended 31 March 2017 (March 31, 2016: Rs. 2,502.37 lacs) which are recorded under 'Revenue from operations'.

Note 46

Domestic transfer pricing

The Indian Finance Bill, 2012 had sought to bring in certain class of domestic transactions in the ambit of the transfer pricing regulations with effect of 1 April, 2012. The Company's/Group's management is of the opinion that its domestic transactions with associated enterprises are at arm's length so that appropriate legislation will not have an impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation. The Company/Group does not have any international transactions during the year.

(Currency: Indian Rupees in Lakhs)

Note 47A

Interest in Joint Venture

The Group has a 25% interest in SMYR Consortium LLP, a joint venture involved in the collection of toll. The Group's interest in SMYR Consortium LLP is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summary financial information of Joint Venture SMYR Consortium LLP not adjusted for the percentage ownership held by the Company, is as follows:

	March 31, 2017	March 31, 2016
Current Assets Other Than Cash and Cash Equivalents		-
Cash and Cash Equivalents	-	177.92
Non-Current Assets	-	904.08
Current Liabilities Other than Current Financial Liabilities	-	(11.11)
Current Financial Liabilities (other than Trade Payables)	-	-
Non Current Liabilities	-	(2,591.25)
Equity	-	(1,520.36)
Proportion of Group's ownership	**25%**	**25%**
Carrying Amount of the investment	-	**(380.09)**
Less:		
Adjustment on Consolidation	-	(380.09)
Carrying amount of Investment in Joint Venture	-	-

Summarised statement of profit and loss of the SMYR Consortium LLP:

	March 31, 2017 *	March 31, 2016
Revenue	-	39,909.17
Interest Income	-	-
Interest Expense	-	-
Depreciation & Ammortisation	-	(81.53)
Profit before tax	-	(1,540.36)
Income Tax expense	-	-
Profit for the year (continuing operations)	-	(1,540.36)
Other Comprehensive Income	-	-
Total other comprehensive income for the year		(1,540.36)
Proportion of Group's ownership	-	25%
Group's share of profit for the year		(385.09)

The group had no contingent liabilities or capital commitments relating to its interest in SMYR Consortium LLP as at 31 March 2017 and 2016.

* The Consolidated Financial Statement for March 31, 2017 does not include the financial information of SMYR Consortium LLP, wherein the Company holds 25% stake, as the management has not received any financial information from the entity. The project operated by the entity was closed on February 1, 2016. Further, the management has not received the audited financial statements of the entity for the year ended March 31, 2016.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 47B

Interest in Associate

The Group has a 33% interest in KVM Technology Solutions Private Limited, which is involved in the installation of toll management systems W/M'S & weigh bridge. KVM Technology Solutions Private Limited and a private entity that is not listed on any public exchange. The Group's interest in KVM Technology Solutions Private Limited is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in KVM Technology Solutions Private Limited:

	March 31, 2017	March 31, 2016	April 1, 2015
Current Assets Other Than Cash and Cash Equivalents	**332.66**	193.86	3.29
Cash and Cash Equivalents	**23.39**	133.70	1.00
Non-Current Assets	**4.03**	-	-
Current Liabilities Other than Current Financial Liabilities	**(518.36)**	(506.79)	(5.80)
Current Financial Liabilities (other than Trade Payables)	-	-	-
Non Current Liabilities	-	-	-
Equity	**(158.27)**	(179.23)	(1.51)
Proportion of Group's ownership	**33%**	33%	33%
Carrying Amount of the investment	**(52.75)**	(59.74)	(0.51)
Less:			
Adjustment on Consolidation	**(59.74)**	(59.74)	(0.51)
Carrying amount of Investment in Joint Venture	**6.99**	-	-

Summarised statement of profit and loss of the KVM Technology Solutions Private Limited:

	March 31, 2017	March 31, 2016
Revenue	**94.33**	5.60
Interest Income		-
Interest Expense	-	(180.90)
Depreciation & Ammortisation		
Profit before tax	**20.99**	(182.03)
Income Tax expense	-	-
Profit for the year (continuing operations)	**20.99**	(182.03)
Other Comprehensive Income	-	-
Total other comprehensive income for the year	**20.99**	(182.03)
Proportion of Group's ownership	**33%**	33%
Group's share of profit for the year	**6.99**	(60.67)

The group had no contingent liabilities or capital commitments relating to its interest in KVM Technology Solutions Private Limited as at 31 March 2017 and 2016.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 47C

Interest in Joint Venture

The Group has a 74% interest in MEP Nagpur Ring Road 1 Private Limited, a joint venture involved in the construction and maintenance of roads. The Group's interest in MEP Nagpur Ring Road 1 Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summary financial information of Joint Venture MEP Nagpur Ring Road 1 Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

	March 31, 2017
Current Assets Other Than Cash and Cash Equivalents	9,702.96
Cash and Cash Equivalents	15.25
Non-Current Assets	3,549.72
Current Liabilities Other than Current Financial Liabilities	(3,197.88)
Current Financial Liabilities (other than Trade Payables)	(1.73)
Non Current Liabilities	(3,929.15)
Equity	6,139.17
Proportion of Group's ownership	**74%**
Carrying Amount of the investment	**4,542.98**
Less:	
Adjustment on Consolidation	(1,513.88)
Carrying amount of Investment in Joint Venture	**3,029.10**

Summarised statement of profit and loss of the MEP Nagpur Ring Road 1 Private Limited:

	March 31, 2017
Revenue	5,808.21
Interest Income	59.72
Interest Expense	(239.13)
Depreciation & Ammortisation	(5.60)
Profit before tax	**183.28**
Income Tax expense	90.90
Profit for the year (continuing operations)	**92.38**
Other Comprehensive Income	-
Total other comprehensive income for the year	**92.38**
Proportion of Group's ownership	**74%**
Group's share of profit for the year	**68.36**

The Company had contingent liabilities of Rs 398.25 Lakhs proportion of Groups ownership Rs 294.71 Lakhs and no capital commitments relating to its interest in MEP Nagpur Ring Road 1 Private Limited as at 31 March 2017.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 47D

Interest in Joint Venture

The Group has a 74% interest in MEP Sanjose Nagpur Ring Road 2 Private Limited, a joint venture involved in the construction and maintenance of roads. The Group's interest in MEP-Sanjose Nagpur Ring Road 2 Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summary financial information of Joint Venture MEP Sanjose Nagpur Ring Road 2 Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

	March 31, 2017
Current Assets Other Than Cash and Cash Equivalents	3,667.48
Cash and Cash Equivalents	12.62
Non-Current Assets	8,793.49
Current Liabilities Other than Current Financial Liabilities	(4,018.60)
Current Financial Liabilities (other than Trade Payables)	-
Non Current Liabilities	(3,619.89)
Equity	4,835.11
Proportion of Group's ownership	**74%**
Carrying Amount of the investment	**3,577.98**
Less:	
Adjustment on Consolidation	-
Carrying amount of Investment in Joint Venture	**3,577.98**

Summarised statement of profit and loss of the MEP Sanjose Nagpur Ring Road 2 Private Limited:

	March 31, 2017
Revenue	2,997.66
Interest Income	49.45
Finance Cost	(246.35)
Depreciation & Ammortisation	-
Profit before tax	**45.38**
Income Tax expense	38.19
Profit for the year (continuing operations)	**7.19**
Other Comprehensive Income	-
Total other comprehensive income for the year	**7.19**
Proportion of Group's ownership	**74%**
Group's share of profit for the year	**5.32**

The Company had contingent liabilities of Rs 479.25 Lakhs proportion of Groups ownership Rs 354.65 Lakhs and no capital commitments relating to its interest in MEP Sanjose Nagpur Ring Road 2 Private Limited as at 31 March 2017.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 47E

Interest in Joint Venture

The Group has a 74% interest in MEP Sanjose Arawali Kante Road Private Limited, a joint venture involved in the construction and maintenance of roads. The Group's interest in MEP Sanjose Arawali Kante Road Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summary financial information of Joint Venture MEP Sanjose Arawali Kante Road Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

	March 31, 2017
Current Assets Other Than Cash and Cash Equivalents	1,108.64
Cash and Cash Equivalents	1.71
Non-Current Assets	7,168.41
Current Liabilities Other than Current Financial Liabilities	(1,163.68)
Current Financial Liabilities (other than Trade Payables)	
Non Current Liabilities	(2,693.91)
Equity	4,421.16
Proportion of Group's ownership	**74%**
Carrying Amount of the investment	**3,271.66**
Less:	
Adjustment on Consolidation	0.00
Carrying amount of Investment in Joint Venture	**3,271.66**

Summarised statement of profit and loss of the MEP Sanjose Arawali Kante Road Private Limited:

	March 31, 2017
Revenue	1,033.47
Interest Incom	-
Interest Expense	(97.34)
Depreciation & Ammortisation	(0.94)
Profit before tax	**(17.50)**
Income Tax expense	9.64
Profit for the year (continuing operations)	**(27.14)**
Total other comprehensive income for the year	**(27.14)**
Proportion of Group's ownership	**74%**
Group's share of profit for the year	**(20.08)**

The group had no contingent liabilities or capital commitments relating to its interest in MEP Sanjose Arawali Kante Road Private Limited as at 31 March 2017.

(Currency: Indian Rupees in Lakhs)

Note 47F

Interest in Joint Venture

The Group has a 74% interest in MEP Sanjose Kante Wakad Road Private Limited, a joint venture involved in the construction and maintenance of roads. The Group's interest in MEP Sanjose Kante Wakad Road Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summary financial information of Joint Venture MEP Sanjose Kante Wakad Road Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

	March 31, 2017
Current Assets Other Than Cash and Cash Equivalents	854.72
Cash and Cash Equivalents	2.45
Non-Current Assets	8,925.49
Current Liabilities Other than Current Financial Liabilities	(1,028.39)
Current Financial Liabilities (other than Trade Payables)	-
Non Current Liabilities	(2,587.48)
Equity	6,166.79
Proportion of Group's ownership	**74%**
Carrying Amount of the investment	**4,563.43**
Less:	
Adjustment on Consolidation	-
Carrying amount of Investment in Joint Venture	**4,563.43**

Summarised statement of profit and loss of the MEP Sanjose Kante Wakad Road Private Limited:

	March 31, 2017
Revenue	756.61
Interest Income	
Interest Expense	(120.33)
Depreciation & Ammortisation	(0.34)
Profit before tax	**(17.50)**
Income Tax expense	14.01
Profit for the year (continuing operations)	**(31.51)**
Other Comprehensive Income	-
Total other comprehensive income for the year	**(31.51)**
Proportion of Group's ownership	**74%**
Group's share of profit for the year	**(23.31)**

The group had no contingent liabilities or capital commitments relating to its interest in MEP Sanjose Kante Wakad Road Private Limited as at 31 March 2017.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 47G

Interest in Joint Venture

The Group has a 60% interest in MEP Sanjose Mahuva Kagavadar Road Private Limited, a joint venture involved in the construction and maintenance of roads. The Group's interest in MEP Sanjose Mahuva Kagavadar Road Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summary financial information of Joint Venture MEP Sanjose Mahuva Kagavadar Road Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

	March 31, 2017
Current Assets Other Than Cash and Cash Equivalents	532.60
Cash and Cash Equivalents	9.93
Non-Current Assets	361.22
Current Liabilities Other than Current Financial Liabilities	(1,086.40)
Current Financial Liabilities (other than Trade Payables)	-
Non Current Liabilities	168.11
Equity	(14.54)
Proportion of Group's ownership	**60%**
Carrying Amount of the investment	**(8.72)**
Less:	
Adjustment on Consolidation	(8.72)
Carrying amount of Investment in Joint Venture	-

Summarised statement of profit and loss of the MEP Sanjose Mahuva Kagavadar Road Private Limited:

	March 31, 2017
Revenue	516.34
Interest Income	
Interest Expense	(40.92)
Depreciation & Ammortisation	
Profit before tax	**(17.51)**
Income Tax expense	(2.00)
Profit for the year (continuing operations)	**(15.51)**
Other Comprehensive Income	-
Total other comprehensive income for the year	**(15.51)**
Proportion of Group's ownership	**60%**
Group's share of profit for the year	**(9.30)**

The Company had contingent liabilities of Rs 3023.40 Lakhs proportion of Groups ownership Rs 1814.04 Lakhs and no capital commitments relating to its interest in MEP Sanjose Mahuva Kagavadar Road Private Limited as at 31 March 2017.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 47H

Interest in Joint Venture

The Group has a 60% interest in MEP Sanjose Talaja Mahuva Road Private Limited, a joint venture involved in the construction and maintenance of roads. The Group's interest in MEP Sanjose Talaja Mahuva Road Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summary financial information of Joint Venture MEP Sanjose Talaja Mahuva Road Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

	March 31, 2017
Current Assets Other Than Cash and Cash Equivalents	1,102.09
Cash and Cash Equivalents	48.50
Non-Current Assets	904.10
Current Liabilities Other than Current Financial Liabilities	(2,070.54)
Current Financial Liabilities (other than Trade Payables)	
Non Current Liabilities	1.61
Equity	(14.24)
Proportion of Group's ownership	**60%**
Carrying Amount of the investment	**(8.54)**
Less:	
Adjustment on Consolidation	(8.54)
Carrying amount of Investment in Joint Venture	-

Summarised statement of profit and loss of the MEP Sanjose Talaja Mahuva Road Private Limited:

	March 31, 2017
Revenue	
Interest Income	-
Interest Expense	(42.92)
Depreciation & Ammortisation	(1.59)
Profit before tax	**(17.50)**
Income Tax expense	(2.26)
Profit for the year (continuing operations)	**(15.24)**
Other Comprehensive Income	-
Total other comprehensive income for the year	**(15.24)**
Proportion of Group's ownership	**60%**
Group's share of profit for the year	**(9.14)**

The group had no contingent liabilities or capital commitments relating to its interest in MEP Sanjose Talaja Mahuva Road Private Limited as at 31 March 2017.

MEP Infrastructure Developers Limited

(Currency: Indian Rupees in Lakhs)

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2017

Note 48

Disclosure on Specified Bank Notes

During the year the Group had Specified Bank Notes (SBNs) and other denomination notes as defined in the MCA notification, G.S.Rs 308(E), dated 31 March 2017. The details of SBNs held and transacted during the period from November 08, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows:

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	**1,904.40**	**1,306.14**	**3,210.53**
(+) Permitted receipts	811.05	9,086.44	**9,897.49**
(-) Permitted payments	(13.00)	(275.37)	**(288.37)**
(-) Amount deposited in Banks	(2,702.44)	(7,018.61)	**(9,721.05)**
Closing cash in hand as on 30.12.2016	**0.00**	**3,098.60**	**3,098.60**

Special Bank Notes had defined as Bank Notes in notification of the Government of India, Ministry of Financial Department of Economic Affairs No. S.O. 3407(E), dated 8th November 2016.

As per our report of even date attached

For **Gokhale & Sathe**
Chartered Accountants
Firm Registration Number: 103264W

Yatin R. Vyavaharkar
Partner
Membership Number:033915

Place: Mumbai
Date: 25th May 2017

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

Jayant D. Mhaiskar
Managing Director
(DIN: 00716351)

Anuya J. Mhaiskar
Director
(DIN: 00707650)

M. Sankaranarayanan
Chief Financial Officer

Harshad Pusalkar
Company Secretary

Place: Mumbai
Date: 25th May 2017

B S R & Co. LLP
Chartered Accountants
Lodha Excelus, 1st Floor,
Apollo Mills Compound, N.M.Joshi Marg,
Mahalakshmi, Mumbai 400 011.
Telephone + 91 (22) 3989 6000
Fax + 91 (22) 3090 2511

Gokhale & Sathe
Chartered Accountants
308/309, Udyog Mandir No.1,
7-C, Bhagoji Keer Marg,
Mahim, Mumbai 400 016.
Telephone + 91 (22) 4348 4242
Fax + 91 (22) 4348 4241

Independent Auditor's Report

To the Members of
MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Report on the Consolidated Financial Statements

We have jointly audited the accompanying consolidated financial statements of MEP Infrastructure Developers Limited (hereinafter referred to as "the Holding Company") (formerly MEP Infrastructure Developers Private Limited) its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group") and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our joint audit. While conducting the 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.

B S R & Co. LLP Chartered Accountants

Gokhale & Sathe Mumbai Firm No. 10326 Chartered Accountants

Independent Auditor's Report

MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Auditor's Responsibility ***(Continued)***

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by one of the Joint auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified joint audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

As referred to in Note 2 to the consolidated financial statements and sub-paragraph (b) of the Other matters paragraph below, the consolidated financial statements include the unaudited financial information of one jointly controlled entity, which reflects the Group's proportionate share of total assets of Rs. 270.50 lakhs as at 31 March 2016, total revenues of Rs 10,158.85 lakhs and net cash inflows of Rs 44.48 lakhs for the year ended on that date, as considered in the consolidated financial statements, based on the financial information certified by the Management. As a result, we were unable to determine whether any adjustments were necessary to these amounts included in the consolidated financial statements.

Qualified Opinion

In our joint opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its jointly controlled entities as at 31 March 2016 and their consolidated profit and their consolidated cash flows for the year ended on that date.

Independent Auditor's Report

MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Emphasis of Matter

a) We draw attention to note 29.3 of the consolidated financial statements dealing with non-recognition of contractual obligations to pay to National Highway Authority of India ('NHAI') a sum of Rs 12,843.19 lakhs for the year ended 31 March 2016 in addition to the sum of Rs. 3,846.50 lakhs for the period from 1 November 2014 to 31 March 2015 by one of the subsidiary companies. The approval by NHAI of the claims made by the Company, based on the assessment of the Independent Engineer appointed by it, is pending and hence no provision for the unpaid amount is considered necessary.

b) We draw attention to note 21 (a) of the consolidated financial statements where it is mentioned that one of the subsidiary companies has lodged claims of Rs 2,197.53 lakhs (previous year: Rs 2,128.62 lakhs) with the National Highway Authority of India (NHAI) on an estimated basis and has recognized claims receivable amounting to Rs 5,100.50 lakhs for the financial year ended 31 March 2016 (previous year Rs 2,902.97 lakhs) which is disclosed under" Other Operating Income" (note no.22) and claims receivable under " Other Current Assets" (note no 21).

c) We draw attention to note 25 of the consolidated financial statements relating to payment of managerial remuneration of Rs. 120.00 lakhs in respect of one of the subsidiary companies, which had been charged to the consolidated Statement of Profit and Loss, in the previous year in respect of which the said subsidiary had made an application to the Central Government and for which the subsidiary company got an inadequate reply. Also, in the current year, the said subsidiary company has made payment of managerial remuneration of Rs. 120.00 lakhs, which is in excess of the limits specified in section 197 and Schedule V of the Companies Act, 2013. The subsidiary company is in the process of filing an application with Central Government for approval of managerial remuneration, for current year as well as for previous year.

Our opinion is not qualified in respect of the above matters.

Other Matters

(a) The financial statements/ financial information of seventeen subsidiaries and a jointly controlled entity whose financial statements/ financial information reflect total assets of Rs. 88,327.31 lakhs as at 31 March 2016, total revenues of Rs 80,068.17 lakhs and net cash outflows amounting to Rs 8,255.77 lakhs for the year ended on that date, as considered in the consolidated financial statements have been audited by one of the Joint auditors, M/s. Gokhale & Sathe, Chartered Accountants and the joint opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity, and the report in terms of section 143(3) and section 143(11) of the Act, insofar as it relates to the aforesaid subsidiaries and jointly controlled entity is based solely on the reports of such Joint auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the Joint auditors.

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

Independent Auditor's Report

MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Other Matters *(Continued)*

(b) We did not audit the financial statements/financial information of a jointly controlled entity, whose financial statements/ financial information reflects total assets of Rs 270.50 lakhs as at 31 March 2016, total revenues of Rs 10,158.85 lakhs and net cash flow of Rs 44.48 lakhs for the year ended on that date as considered in the consolidated financial statements. These financial statements/financial information are unaudited and have been furnished to us by the Management.

Report on Other Legal And Regulatory Requirements

1. As required by section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, except for the effect of the matter described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the Joint auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Rules.

   (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and Reports of the Joint auditors of its subsidiary companies and the jointly controlled entity incorporated in India except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, none of the Directors of the Group's companies and the jointly controlled entity incorporated in India are disqualified as on 31 March 2016 from being appointed as a Director of that company in terms of Section 164 (2) of the Act.

   (f) The qualification relates to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

   (g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the jointly controlled entity and the operating effectiveness of such controls, refer to our separate report in "Annexure A";

Independent Auditor's Report

MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Report on Other Legal And Regulatory Requirements *(Continued)*

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

i. Except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph above, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entity – Refer Note 29.1 to the consolidated financial statements;

ii. Except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph above, the Group and its jointly controlled entity did not have any long – term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and the jointly controlled entities incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476

Mumbai
24 May 2016

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
24 May 2016

MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Annexure A to the Independent Auditor's Report of even date on the Consolidated Financial Statements of MEP Infrastructure Developers Limited

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

In conjunction with our joint audit of the consolidated financial statements of MEP Infrastructure Developers Limited ("the Company" or "the Holding Company") as of and for the year ended 31 March, 2016, we have audited the internal financial control over financial reporting of the Holding Company, its subsidiary companies and a jointly controlled entity, incorporated in India as of that date, except for one jointly controlled entity which has not been audited.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies and jointly controlled entity, incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 the respective 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.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the Joint auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system over financial reporting.

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Annexure A to the Independent Auditor's Report of even date on the Consolidated Financial Statements of MEP Infrastructure Developers Limited *(Continued)*

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

The audited financial statements with regard to one of the jointly controlled entity of the Holding Company were not made available to us to enable us to determine if the jointly controlled entity has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at 31 March 2016.

In our joint opinion, except for the possible effects of the matter described above, the Holding Company, its subsidiary companies and jointly controlled entity, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the matter described and reported above in determining the nature, timing and extent of audit tests applied in our Joint audit of the 31 March 2016 consolidated financial statements of the Company, and this matter has affected our joint audit opinion on the consolidated financial statements of the Company and we have issued a qualified opinion on the consolidated financial statements.

MEP Infrastructure Developers Limited

(formerly MEP Infrastructure Developers Private Limited)

Annexure A to the Independent Auditor's Report of even date on the Consolidated Financial Statements of MEP Infrastructure Developers Limited *(Continued)*

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to seventeen subsidiary companies and a jointly controlled entity, which are companies incorporated in India, is based on the corresponding reports of the joint auditors of such companies incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476

Mumbai
24 May 2016

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
24 May 2016

MEP Infrastructure Developers Limited

(Formerly known as MEP Infrastructure Developers Private Limited)

Consolidated Balance Sheet

As at 31 March 2016

(Currency : Indian rupees in lakhs)

	Notes	31 March 2016	31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	4	16,256.92	11,149.43
Reserves and surplus	5	(6,130.53)	(33,793.90)
		10,126.39	(22,644.47)
Non-current liabilities			
Long-term borrowings	6	265,701.84	295,676.18
Deferred tax liabilities (net)	14	1.59	6.98
Other long-term liabilities	7	5,220.00	10,440.00
Long-term provisions	8	311.87	227.38
		271,235.30	306,350.54
Current liabilities			
Short-term borrowings	9	25,061.61	20,716.37
Trade payables	10		
- dues of micro enterprises and small enterprises		-	0.56
- other creditors		33,442.66	26,626.99
Other current liabilities	11	28,546.37	32,469.97
Short-term provisions	8	257.85	48.23
		87,308.49	79,862.12
TOTAL		368,670.18	363,568.19
ASSETS			
Non-current assets			
Fixed assets			
- Tangible fixed assets	12	6,145.68	2,833.47
- Intangible fixed assets		194,135.04	210,107.85
- Capital work in progress		666.72	1,626.84
- Goodwill on consolidation		2,652.04	2,652.04
Non-current investments	13	2,166.22	2,161.21
Deferred tax assets (net)	14	10,699.30	9,426.85
Long-term loans and advances	15	89,827.93	89,342.97
Other non-current assets	16	4,121.51	3,872.62
		310,414.44	322,023.85
Current assets			
Current investments	17	-	1,063.30
Trade receivables	18	17.27	2,582.84
Cash and bank balances	19	14,984.64	13,481.78
Short-term loans and advances	20	32,796.05	18,116.83
Other current assets	21	10,457.78	6,299.59
		58,255.74	41,544.34
TOTAL		368,670.18	363,568.19
Significant accounting policies	3		
Notes to the consolidated financial statements	4- 29		

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No: 046476
Mumbai
Date: 24 May 2016

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915
Mumbai
Date: 24 May 2016

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

Jayant D. Mhaiskar
Managing Director
DIN : 00716351

Anuya J. Mhaiskar
Director
DIN : 00707650

M. Sankaranarayanan
Chief Financial Officer

Shridhar Phadke
Company Secretary

Mumbai
Date: 24 May 2016

MEP Infrastructure Developers Limited

(Formerly known as MEP Infrastructure Developers Private Limited)

Consolidated Statement of Profit and Loss

for the year ended 31 March 2016

(Currency : Indian rupees in lakhs)

	Notes	31 March 2016	31 March 2015
Income			
Revenue from operations	22	200,680.01	200,877.75
Other income	23	4,070.30	3,251.90
Total revenue		204,750.31	204,129.65
Expenses			
Operating and maintenance expenses	24	133,328.74	145,702.59
Employee benefit expenses	25	7,753.44	7,611.35
Finance costs	26	38,323.13	40,361.32
Depreciation and amortisation	27	17,062.17	17,993.76
Other expenses	28	4,114.07	3,100.90
Total expenses		200,581.55	214,769.92
Profit /(Loss) before tax and prior period items		4,168.76	(10,640.27)
Prior period expense	29.15	-	(106.34)
Profit/(Loss) before tax		4,168.76	(10,746.61)
Tax expenses			
Current Tax			
-Current year		3,310.36	2,729.20
-Relating to earlier years		(242.25)	-
Mat credit entitlement		(254.17)	(82.49)
Deferred tax (credit)	14	(1,277.84)	(1,860.01)
Profit/(Loss) after tax		2,632.66	(11,533.31)
Earnings per equity share			
- Basic	29.6	1.66	(10.51)
- Diluted		1.66	(10.51)
[(Nominal value per share Rs 10) (previous year : Rs 10)]			
Significant accounting policies	3		
Notes to the consolidated financial statements	4-29		

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No: 046476
Mumbai
Date: 24 May 2016

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915
Mumbai
Date: 24 May 2016

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

Jayant D. Mhaiskar
Managing Director
DIN : 00716351

Anuya J. Mhaiskar
Director
DIN : 00707650

M. Sankaranarayanan
Chief Financial Officer

Shridhar Phadke
Company Secretary

Mumbai
Date: 24 May 2016

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Consolidated cash flow statement
for the year ended 31 March 2016

(Currency: Indian rupees in lakhs)

		31 March 2016	31 March 2015
Cash flows from operating activities			
Profit / (Loss) before tax		4,168.76	(10,746.61)
Adjustments:			
Depreciation and amortisation		17,062.17	17,993.76
Profit on sale of investment in subsidiary		-	(47.32)
Interest income		(3,884.56)	(3,039.07)
Profit on sale of fixed assets		(2.82)	(18.10)
Provision for wealth tax		-	2.61
Profit on sale of mutual fund investments		-	0.08
Finance cost		38,323.13	40,361.32
Dividend income		(21.73)	(63.87)
Provisions no longer required written back		(2.95)	(64.88)
Operating profit before working capital changes		55,642.00	44,377.76
Adjustments for movements in working capital:			
(Increase) in loans and advances		(11,157.24)	(17,860.95)
Decrease in trade receivables		2,565.57	291.82
Increase in trade payables		6,818.06	11,991.67
Increase in provisions		98.44	95.75
(Decrease) in other liabilities		(5,177.91)	(4,040.61)
(Increase) in other assets		(3,398.37)	(3,324.45)
Cash generated from operations		45,390.55	31,530.99
Income taxes (paid)		(2,706.18)	(3,977.78)
Net cash provided by operating activities	**(A)**	42,684.36	27,553.21
Cash flows from investing activities			
Purchase of tangible fixed assets		(6,456.39)	(2,725.88)
Proceeds from sale of fixed assets		24.86	40.61
Repayment of loans and advances		-	1,655.36
Purchase of Current investment		(17.22)	(1,141.71)
Purchase of Non-current investment		(5.01)	-
Proceeds from sale / maturity of current investments		-	74.21
Sale of Current Investment		1,080.52	160.95
Investment in fixed deposits		(10,815.05)	(11,179.99)
Redemption / maturity of fixed deposits		9,887.32	9,852.62
Investment in enterprises over which significant influence is exercised by key managerial personnel		-	(2,090.00)
Loans given		(1,121.85)	(6,526.45)
Dividend received		21.73	63.87
Interest received		2,406.96	3,095.27
Net cash used by investing activities	**(B)**	(4,994.13)	(8,721.14)
Cash flows from financing activities			
Proceeds from issue of equity shares		32,400.00	2,500.00
Share issue expenses		(1,268.56)	-
Proceeds from borrowings		19,490.51	32,909.98
Repayment of borrowings		(45,514.38)	(15,828.99)
Dividend Paid - Interim		(162.57)	-
Dividend Tax Paid - Interim		(34.02)	-
Finance cost paid		(41,894.02)	(41,142.95)
Net cash used by financing activities	**(C)**	(36,983.04)	(21,561.96)
Net increase / (decrease) in cash and cash equivalents	**(A+B+C)**	707.20	(2,729.89)
Cash and cash equivalents at beginning of the year		4,911.44	7,641.33
Cash and cash equivalents at end of the year (refer note 1 below)		5,618.64	4,911.44

MEP Infrastructure Developers Limited

(Formerly known as MEP Infrastructure Developers Private Limited)

Consolidated cash flow statement

for the year ended 31 March 2016

(Currency: Indian rupees in lakhs)

		31 March 2016	31 March 2015
	Notes to the Cash Flow Statement		
1	**Components of cash and cash equivalents**		
	Cash on hand	**3,663.40**	2,236.84
	Balance with banks		
	- current accounts	**1,882.01**	2,638.73
	- fixed deposits	**73.23**	35.87
		5,618.64	4,911.44

2 The Cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 ('AS-3') on cash flow statements as specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No: 046476
Mumbai
Date: 24 May 2016

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915
Mumbai
Date: 24 May 2016

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

Jayant D. Mhaiskar
Managing Director
DIN : 00716351

Anuya J. Mhaiskar
Director
DIN : 00707650

M. Sankaranarayanan
Chief Financial Officer

Shridhar Phadke
Company Secretary

Mumbai
Date: 24 May 2016

Notes to the consolidated financial statements
for the year ended 31 March 2016

(Currency : Indian rupees in lakhs)

1. Company overview

MEP Infrastructure Developers Limited ('MEPIDL' or 'the Company') (formerly known as MEP Infrastructure Developers Private Limited) is a public company domiciled in India. The Company's equity shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) with effect from 6 May, 2015. The Company and its subsidaries and jointly controlled entities (collectively refered to as ' the Group') are into the business of collection of toll as per the contracts entered with various authorities along with other ancilliary activities such as road repairs and maintenance of flyovers, roads and allied structures.

2. Details of subsidiaries and jointly controlled entities

The list of companies which are included in the consolidated financial statements are as under:

Name of the Company	Country of origin	% Holding 31 March 2016	% Holding 31 March 2015
Parent Company			
MEP Infrastructure Developers Limited	India	-	-
Subsidiaries			
MEP Infrastructure Private Limited	India	99.99%	99.99%
Raima Ventnres Private Limited	India	100.00%	100.00%
Rideema Toll Private Limited	India	100.00%	100.00%
Baramati Tollways Private Limited (Through Rideema Toll Privnte Limited, indirectly)	India	99.99%	99.99%
Rideema Toll Bridge Private Limited	India	100.00%	100.00%
MEP Nngzari Toll Road Private Limited	India	100.00%	100.00%
MEP IRDP Solapur Toll Road Private Limited	India	100.00%	100.00%
MEP Hyderabad Bangalore Toll Road Private Limited	India	99.99%	98.90%
Raima Toll Road Private Limited	India	100.00%	100.00%
MEP Chennai Bypass Toll Road Private Limited	India	100.00%	100.00%
MEP Highway Solutions Private Limited	India	100.00%	100.00%
MEP RGSL Toll Bridge Private Limited (Formerly known as MEP Projects Private Limited)	India	100.00%	100.00%
Raima Toll nnd Infrastructure Private Limited (Fonnerly known as Raima Manpower and Consultancy Services Private Limited)	India	100.00%	100.00%
MEP Roads & Bridges Private Limited	India	100.00%	100.00%
Mhaiskar Toll Road Private Limited	Indin	100.00%	100.00%
MEP Infra Constructions Privnte Limited	India	100.00%	100.00%
MEP Toll & Infrnstructure Privnte Limited	Indin	100.00%	100.00%
MEP Tormato Private Limited	India	100.00%	100.00%
MEP Infraprojects Private Limited	India	100.00%	100.00%
Jointly Controlled Entities			
KVM Technology Solutions Private Limited	India	33.00%	33.00%
SMYR Consortium LLP*	India	25.00%	-

*The Compnny has considered the unaudited finaneinl informntion of one jointly controlled entity in the consolidated finnncial statements.

GOKHALE & SATHE MUMBAI FIRM No. 1032 CHARTERED ACCOUNTANTS

3 Significant accounting policies

3.1 Basis of preparation of consolidated financial statements

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP'), accounting standards notified under section 133 of the Companies Act, 2013(the Act) read with Rule 7 of the Companies (Accounts) Rules,2014.

3.2. Current / non-current classification

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

(a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is expected to be realised within twelve months after the Balance Sheet date; or
(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the Balance Sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:
(a) it is expected to be settled in the entity's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is due to be settled within twelve months after the Balance Sheet date; or
(d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date.

All other liabilities are classified as non-current.

Operating cycle

Based on the nature of activities and the time between the acquisition of assets and their realisation in cash and cash equivalents, the Company/Group has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

3.3. Principles of consolidation

The consolidated financial statements have been prepared on the following basis:

a) The consolidated financial statements of the Group are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and resultant unrealized profits or losses in accordance with the Accounting Standard - 21 ' Consolidated Financial Statements' and Accounting Standard -27 ' Financial Reporting of Interest in Joint ventures ' specified under section 133 of the Companies Act, 2013('the Act') read with Rule 7 of the Companies (Accounts) Rules,2014.

b) Investments in subsidiaries are eliminated and differences between the cost of investments over the net assets on the date of the investments in subsidiaries are recognised as goodwill or capital reserve, as the case may be.

c) The difference between the proceeds from disposal of investment in a subsidiary and the proportionate carrying amount of its assets less liabilities as of the date of disposal is recognised in the Consolidated Statement of Profit and Loss as the profit or loss on disposal of investments in subsidiaries.

d) Share of minority interest in the net profit is adjusted against the income to arrive at the net income attributable to shareholders of the parent company. Minority interest's share of net assets is presented separately in the balance sheet.

e) If losses applicable to minority interest in a consolidated subsidiary exceed the minority interests in the subsidiary's equity, the excess and any further losses applicable to the minority interest are allocated against the majority's interest, except to the extent that the minority interest has a binding obligation and is able to, make good the losses. If the subsidiary subsequently reports profits, such profits are allocated to the majority's interest until the minority interest's share of losses previously absorbed by the majority's interest have been recovered.

f) Interest in Jointly controlled entities is reported using the proportionate consolidation method.

g) Any excess of the cost to the venturer of its interest in a jointly controlled entity over its share of net assets of the jointly controlled entity, at the date on which interest in the jointly controlled entity is acquired, is recognised as goodwill, and separately disclosed in the consolidated financial statements. When the cost to the venturer of its interest in a jointly controlled entity is less than its share of the net assets of the jointly controlled entity, at the date on which interest in the jointly controlled entity is acquired, the difference is treated as a capital reserve in the consolidated financial statements. Where the carrying amount of the venturer's interest in a jointly controlled entity is different from its cost, the carrying amount is considered for the purpose of above computations.

The losses pertaining to one or more investors in a jointly controlled entity may exceed their interests in the equity of the jointly controlled entity. Such excess, and any further losses applicable to such investors, are recognised by the venturers in the proportion of their shares in the venture, except to the extent that the investors have a binding obligation to, and are able to, make good the losses. If the jointly controlled entity subsequently reports profits, all such profits are allocated to venturers until the investors' share of losses previously absorbed by the venturers has been recovered.

h) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's stand alone financial statements.

i) Goodwill on consolidation is not amortised but is tested for impairment on each balance sheet date and impairment losses are recognised, wherever applicable.

j) The financial statements of the subsidiaries/jointly controlled entities used for the purpose of consolidation are drawn upto the same reporting date as that of the parent Company, i.e. 31 March 2016.

GOKHALE & SATHE MUMBAI

3 Significant accounting policies *(Continued)*

3.4. *Use of estimates*

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that the estimates made in the preparation of the consolidated financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

3.5. *Revenue recognition*

Revenue is recognised to the extent it is probable that the future economic benefits will flow to the Group and the revenue can be reliably measured.

Toll collection

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

Road repair and maintenance

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

Interest and dividend income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income on investment is recognised when the right to receive dividend is established

3.6. *Fixed assets*

Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use. When parts of an item of fixed assets have different useful lives they are accounted for as separate items (major components) of fixed assets.

Expenditure incurred on acquisition / construction of tangible fixed assets which are not ready for their intended use as at the Balance Sheet date are disclosed under capital work -in -progress.

Intangible fixed assets

Toll collection rights

Intangible fixed assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost includes acquisition and other incidental costs related to acquiring the intangible asset.

3.7. *Depreciation and amortisation*

Depreciation

Depreciation on fixed assets is provided on the written down value method, at useful lives prescribed in Schedule II of the Companies Act 2013. Depreciation on addition/deletion of fixed assets during the year is provided on pro-rata basis from / to the date of addition/deletion. Fixed assets costing up to Rs 5,000 individually are fully depreciated in the year of purchase. (Also, refer note 12)

Amortisation

Toll Collection Rights are amortised over the concession period, using revenue based amortisation as prescribed in Schedule II of the Act. Under this methodology, the carrying value of the rights is amortised in the proportion of actual toll revenue for the year to the projected revenue for the balance toll collection period, to reflect the pattern in which the assets economic benefits will be consumed. At each Balance Sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

3.8. *Impairment of assets*

The Group assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of assets value in use and net selling price. After impairment if any, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Previously recognised impairment loss is increased or reversed on changes in internal /external factors.

3.9. *Borrowing costs*

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. Capitalisation of borrowing cost is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are expensed in the period they occur. Borrowing costs consists of interest and other cost that an entity incurs in connection with the borrowing of funds.

GOKHALE & SATHE
MUMBAI

3.10. Taxation

Income tax

Income tax expense comprises current income tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred Tax.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum alternate tax (MAT)

Minimum alternate tax (MAT) credit is recognised as an asset only when, and only to the extent there is convincing evidence that the Group will pay normal income tax during the specified period for which the MAT credit can be carried forward or set off against the normal tax liability. MAT credit entitlement is reviewed at each Balance Sheet date and written down to the extent there is no convincing evidence to the effect that the Group will pay normal income tax during the specified period.

3.11. Cash and cash equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, term deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

3.12. Earnings per share

Basic earnings per share is calculated by dividing the net profit/loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit/loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares outstanding during the period, except where the results would be anti-dilutive.

3.13. Employee benefits

i) ***Short term employee benefits***

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service.

ii) ***Post employment benefits***

Defined contribution plans

The Company's/Group's contribution to defined contribution plans such as Provident Fund, Employee State Insurance and Maharashtra Labour Welfare Fund are recognised in the Consolidated Statement of Profit and Loss on an accrual basis.

Defined benefit plans

Gratuity

The Company's/Group's gratuity benefit scheme is a defined benefit plan. The Company's/Group's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

When the calculation results in a benefit to the Company's/Group's, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan. Actuarial gains and losses are recognized immediately in the Statement of Consolidated Profit and Loss.

3.14. Operating lease

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Consolidated Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

3.15. Investments

Long term investments are valued at cost, less provision for other than temporary diminution in value, if any. Current investments are valued at the lower of cost and fair value.

3.16. Provisions and contingencies

The Company/Group recognises a provision when there is present obligation as a result of a past (or obligating) event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for the contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

MUMBAI

Notes to the Consolidated financial statements
As at 31 March 2016

(Currency: Indian rupees in lakhs)

4 Share capital

	31 March 2016	31 March 2015
Authorised		
200,000,000 (previous year : 200,000,000) equity shares of Rs 10 each	**20,000.00**	20,000.00
Issued, subscribed and fully paid-up		
162,569,191 (previous year : 111,494,250) equity shares of Rs 10 each fully paid	**16,256.92**	11,149.43
	16,256.92	11,149.43

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

	31 March 2016		31 March 2015	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding, beginning of the year	**111,494,250**	11,149.43	100,000,000	10,000.00
Shares issued during the year (refer note 29.11)	**51,074,941**	5,107.49	11,494,250	1,149.43
Shares outstanding, end of the year	**162,569,191**	16,256.92	111,494,250	11,149.43

(b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time.The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(c) Shares held by its holding company

	31 March 2016		31 March 2015	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs 10 each fully paid held by:				
Ideal Toll & Infrastructure Private Limited (Holding Company)	-	-	59,940,407	5,994.04
	-	-	59,940,407	5,994.04

(d) Particulars of shareholders holding more than 5% shares:

Name of shareholder	31 March 2016		31 March 2015	
	No. of shares	%	No. of shares	%
Equity shares of Rs 10 each, fully paid-up are held by :				
Ideal Toll & Infrastructure Private Limited	**59,940,407**	**36.87%**	59,940,407	53.76%
Dattatray P. Mhaiskar jointly with Sudha Dattatray Mhaiskar	**26,447,180**	**16.27%**	25,218,780	22.62%
Jayant Dattatray Mhaiskar jointly with Anuya Jayant Mhaiskar (Directors)	**11,227,920**	**6.91%**	11,227,920	10.07%
Jayant Dattatray Mhaiskar (Vice Chairman/Managing Director)	**13,755,578**	**8.46%**	11,003,300	9.87%
	111,371,085	**68.51%**	107,390,407	96.32%

During the year, the Company issued 51,074,941 equity shares of Rs.10 each at price of Rs.63 per equity share (including premium of Rs.53 per equity share) aggregating to Rs.32,400.00 lakhs pursuant to shares under initial public offering in May 2015. Consequently, the shareholding of Ideal Toll & Infrastructure Private Limited (ITIPL) has reduced from 53.76% to 36.87% therefore ITIPL is no longer the holding company as at 31 March 2016.

Notes to the Consolidated financial statements
As at 31 March 2016

(Currency: Indian rupees in lakhs)

5 Reserves and surplus

	31 March 2016	31 March 2015
Capital Reserve		
At the commencement of the year	1.92	1.92
Closing capital Reserve	1.92	1.92
Securities premium account		
At the commencement of the year	1,350.58	-
Received during the period / year (refer note 4(d))	27,292.51	1,350.58
Less: Share issue expenses	(1,869.53)	-
Closing Securities premium account	26,773.56	1,350.58
Deficit in the Statement of Profit and Loss		
At the commencement of the year	(35,146.40)	(18,784.82)
Pre-acquisition reserve and surplus (refer note 12)	-	(4,828.27)
Profit /(Loss) for the period the year	2,632.66	(11,533.31)
Appropriations		
Interim dividend (Rs. 0.10 per share ; previous year : Nil)	(162.57)	-
Proposed equity dividend (Rs 0.10 per share ; previous year : Nil)	(162.57)	-
Tax on interim equity dividend	(34.02)	-
Tax on proposed equity dividend	(33.10)	-
Net deficit in the Statement of Profit and Loss	(32,906.00)	(35,146.40)
Total Reserves and Surplus	(6,130.53)	(33,793.90)

6 Long-term borrowings

	Non-current portion		Current portion	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Secured loans				
Term loans*				
- from banks	181,275.26	206,987.55	12,208.57	13,289.13
- from financial institutions	83,742.92	88,086.35	4,226.26	3,664.52
Vehicle loans				
- from banks	464.41	297.04	237.82	141.92
- from financial institutions	35.21	20.82	28.52	12.98
Commercial Equipment Loans				
- from banks	184.04	284.42	92.63	83.06
	265,701.84	295,676.18	16,793.80	17,191.61

*During the financial year IDFC Ltd, a Financial Institution is converted into a Bank, therefore previous year's figures of long term borrowings and interest from financial institution has been re-grouped to long term borrowings and interest from banks.

I) Term loans taken by MEP Infrastructure Developers Limited

a) Term loan includes loan from a bank amounting to Rs Nil (previous year : Rs 3,749.34 lakhs) which is secured by way of first charge of hypothecation / assignment / security interest on escrow account of the projects financed and also, by pledge of 500,000 equity shares and negative lien on 250,000 equity shares of IRB Infrastructure Developers Limited held by the promoters of the Company.

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited and personal guarantee given by Mr. J.D. Mhaiskar & Mr. D.P. Mhaiskar, Directors of the Company. The term loan carries an interest rate calculated on base rate of the bank plus a spread of 300 basis points. The term loan is repayable in two equal installments of Rs 3,750.00 lakhs from 1 March 2014.

b) Term loan includes loan from a bank amounting to Rs 15,869.97 lakhs (previous year : Rs 16,975.00) which is secured by a first and exclusive charge as under:

a) first exclusive charge on escrow account specifically maintained for maintenance income/receivables from the maintenance contract with MEP Infrastructure Private Limited, a subsidiary;

b) first mortgage and charge on all immovable and movable properties of the Company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties); except as specifically charged;

c) exclusive charge on specific account opened to route the proceeds from the loan and interest thereon extended to the Ideal Toll & Infrastructnre Private Limited by MEP Infrastructure Private Limited, subsidiary company;

d) pledge of 15 lakhs shares of IRB Infrastructure Developers Limited, held by the promoters of the company;

e) pledge of 49% of the issued, paid up and voting equity share capital of Ideal Toll & Infrastructure Private Limited.

f) first charge over the all bank accounts including but not limited to escrow account opened by MEP Highway Solutions Private Limited, subsidiary company;

g) corporate guarantees given by Ideal Toll & Infrastructure Private Limited, the holding Company; and personal guarantee given by Mr. J.D. Mhaiskar, Director of the Company

GOKHALE & SATHE CHARTERED ACCOUNTANTS MUMBAI FIRM NO. 103264W

(Currency: Indian rupees in lakhs)

6 Long-term borrowings *(Continued)*

The term loan carries an interest rate calculated on base rate of the bank plus a spread of 275 basis points. The term loan is repayable in 127 unequal monthly installments commencing from 1 September 2014.

c) Term loan includes a loan from a bank amounting to Rs 240.00 lakhs (previous year : Rs 610.00 lakhs) which is secured by way of assignment / hypothecation of receivables to be generated from the Toll collection account of the projects financed.
Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited and personal guarantee given by Mr. J.D. Mhaiskar , Director of the Company. The term loan carries an interest rate of 13% p.a. The term loan is repayable in 35 unequal monthly installments commencing after one month from the date of first disbursement.

d) Term loan includes a loan from a bank amounting to Rs 275.42 lakhs (previous year : Nil) which is secured as under :

a) hypothecation / assignment of receivables to be generated from the Toll collection account & refund of performance security from authority of the projects financed;
b) equitable mortgage(second charge) on the residential property situated at Mumbai owned by promoters of the Company;
c) personal guarantee of Promoter Mr. Jayant Mhaiskar.
The term loan carries an interest rate calculated on base rate of 13.00% p.a.(floating at monthly rest) The loan is repayable in 10 monthly installments from the date of disbursement & last installment in lumsum on or before 31st January 2017.

e) Term loan includes a loan from a bank amounting to Rs 1,483.71 lakhs (previous year : Nil) which is secured as under :

a) exclusive charge by way of equitable/registered mortgage on the commercial properties situated at Boomerang building, Chandivali farm road, Andheri East;
b) pledge of 200% shares of amount equivalent to remaing portion of term loan after considering the amount against the property as per security cover in the form of demat shares of the Company;
c) Personal guarantee of Promoter Mr. Jayant Mhaiskar.
d) DSRA equivalent to 3 months EMI in form of undisbursed overdraft as sublimit of term loan.
The term loan carries an interest rate calculated on base rate of 11.25 % p.a.plus 0.65% (annual reset) The loan is repayable in 72 monthly installments from the date of disbursement.

f) Term loan includes a loan from a financial institution amounting to Rs 5,000.00 lakhs (previous year : Nil) which is secured as under :

a) First pari -passu charge on approximately 21 acres of leasehold land of 99 years located at Baramati, District Pune, Maharashtra giving a security cover of 1.50 times over the loan facility.
b) DSRA equivalent to 3 months interest servicing in form of FD with scheduled commercial bank lien marked.
c) Subservient charge on all revenues & receivable of the Company
d) Pledge of such number of shares of the Company by the promoters by way of Non-Disposal Undertaking (NDU) mechanism along with Power of Attorney (POA) so as to give cover of 1.00 times on the loan amount;
e) Personal guarantee of Promoter Mr. Jayant Mhaiskar.
f) Corporate guarantee of Baramati Tollways private Limited (Land mortgagor)
The term loan carries an interest rate calculated on base rate of 11.70 % p.a. plus spread of 1.80%. The loan is repayable in 36 equal monthly installments beginning from 25th month from the date of disbursement.

II) Vehicle loans

A) Vehicle loans from banks of Rs 374.87 lakhs (previous year : Rs 314.74 lakhs) carry interest rates ranging from 9.76% - 12.38% p.a. The loans are repayable in 36 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

B) Vehicle loans from various financial institutions of Rs 60.05 lakhs (previous year : Rs 28.31 lakhs) carry interest rate ranging from 9.75% - 12.34% p.a. The loans are repayable in 35 - 60 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

II) Term loan taken by subsidiaries
MEP Infrastructure Private Limited

1) Term loans includes a loan amounting to Rs 200,376.26 lakhs (previous year : Rs 211,652.31 lakhs) which is taken from a consortium consisting of a banks and financial institutions.

The loan is secured by a first pari-passu charge as below :

a) on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company;

b) by way of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);

c) entire intangible assets of the borrower, including but not limited to, goodwill and uncalled capital, if any;

d) by way of hypothecation / mortgage / assignment, as the case may be of all the rights, title, interest, benefits, claims, insurance contracts, demands; and

e) on the Trust and Retention Account, escrow account and debt service reserve.

Further, the term loan is also secured by additional collateral as below :

a) 51% pledge of share capital of the Company held by MEP Infrastructure Developers Limited, the holding company and Ideal Toll & Infrastructure Private Limited, the ultimate holding company; and

b) corporate guarantees jointly given by MEP Infrastructure Developers Limited, the holding company and Ideal Toll & Infrastructure Private Limited, the ultimate holding company;

The term loan from the consortium carries an interest rate calculated on the base rate of the respective financial institutions and bank and a spread ranging from 1.00% - 2.50% p.a.

Of the above ,the term loan from a banks and financial institutions, are repayable in 312 structured fortnightly installments commencing from 1 October 2011 and a term loan from the other financial institution is repayable in 109 monthly installments commencing from 1 October 2012.
Delayed in repayment of principal installment of the loan of Rs 260.13 lakhs and interest portion of the loan of Rs 1,266.82 lakhs from a banks over a range of 23 to 33 days. The delayed amounts have been paid subsequently.
Delayed in repayment of principal installment of the loan of Rs 323.02 lakhs and interest portion of the loan of Rs 563.49 from a financial institution over a range of 34 to 49 days. The delayed amounts have been paid subsequently.

GOKHALE & SATHE MUMBAI

6 **Long-term borrowings *(Continued)***

II) Apart from the above, the Company has taken another term loan from one of the the consortium lenders of Rs 29,987.85 lakhs (previous year : Rs 39,936.25 lakhs) which are secured as mentioned above.
The loan carries an interest rate calculated on the base rate of the bank plus spread 2.50% p.a.
The loan is repayable in 324 structured fortnightly installments commencing from 1 October 2011.
Delayed in repayment of principal installment of the loan of Rs 41.43 lakhs and interest portion of the loan of Rs 290.38 lakhs for a period of 33 days. The delayed amounts have been paid subsequently.

III) Term loans also include a loan from a financial institution amounting to Rs 18,443.58 lakhs (previous year: Rs 19,986.67 lakhs) and the loan is secured by way of first charge on debt service reserve account and by way of second charge as below:

a) on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company;

b) by way of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, Inventories and all other movable properties);

c) entire intangible assets of the borrower, including but not limited to, goodwill and uncalled capital, if any;

d) by way of hypothecation / mortgage / assignment, as the case may be of - all the rights, title, interest, benefits, claims, other banks accounts and demands;

e) the Trust and Retention Account, escrow account; and

Further, the term loan is secured by corporate guarantees jointly given by MEP Infrastructure Developers Limited, the holding Company and Ideal Toll & Infrastructure Private Limited. The interest rate on the term loan is the existing prime lending rate less 2.50% p.a. The loan is repayable in 156 monthly instalments commencing from 1 July 2012.

IV) **Vehicle loans**

Vehicle loans of Rs 10.97 lakhs (previous year : Rs 18.96 lakhs) from a bank carries an interest rate ranging between 10.52% - 11.50% p.a. The loans are repayable in 35 - 47 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

I) **Raima Ventures Private Limited**

Term loans include loan from a financial institution amounting to Rs Nil (previous period : Rs 1,940.17 lakhs) which is secured by way of first charge as below :

a) by way of hypothecation of entire movable properties of the company both present and future including movable plant and machinery and all other movable properties of what so ever nature;

b) on entire cash flows receivables on book debts and revenues of the company both present and future;

c) on entire intangible assets of the company including but not limited to goodwill and uncalled capital both present and future;

d) hypothecation / mortgage assignment as the case may be of all the rights title, interest, benefits, claims and demands what so ever of the company in the project document (including but not limited to insurance contracts);

e) on the Trust and Retention Account, Debt Service Reserve Account and any other reserves and other bank accounts of the company wherever maintained.

Further, the term loan is secured by corporate guarantee of its holding company, MEP Infrastructure Developers Limited. The term loan carries interest rate of 10.45% p.a. plus a spread of 1.90% p.a. The loan is repayable in 112 structured fortnightly installments as per repayment schedule commencing from 1 November 2010.

II) **Vehicle Loan**

Vehicle loan of Rs 5.41 lakhs (previous year : Rs 12.87 lakhs) is from a bank carrying an interest rate of 10.25% p.a. The loan is repayable in 36 monthly installments along with interest, from the date of loan. The loan is secured way of hypothecation of the respective vehicle.

Baramati Tollways Private Limited

Term loans include loan from a bank amounting to Rs.3,461.00 lakhs (previous period : Rs 5,242.63 lakhs) which is secured by a first charge as below;

a) by assignment of all revenues and receivables of the company,

b) by mortgage of leasehold rights over the property at vacant plot admeasuring 8.4 hectors at Jalochi village, Baramati Town;

c) on escrow account of the company;

d) by all the movable and immovable assets including receivables, both present and future, of the company;

e) entire intangible assets of the company;

f) on assignment in favour of the bank of all the right title, interest, benefits, claims of the company

Further, the term loan is also secured as below :
30% pledge of share capital of the company held by Rideema Toll Private Limited, its holding Company and Corporate guarantees jointly given by Rideema Toll Private Limited, its holding Company and MEP Infrastructure Developers Limited, its ultimate holding Company. The above term loan carry interest rate calculated on base rate of bank with spread of 2.50% p.a above base rate.

The loan is repayable in 39 unequal quarterly instalments commencing from September 2011.

MEP Nagzari Toll Road Private Limited

Term loan includes loan from a bank amounting to Rs Nil (previous year : Rs 274.43 lakhs) which is secured by way of first charge of hypothecation / assignment / security interest on the escrow account of the projects financed.

Further, the term loan is also secured by corporate guarantee from MEP Infrastructure Developers Limited, its holding company and personal guarantees given by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, Directors of the Company, and some of the relatives of the directors.

The term loan carries an interest rate of 13.5% pa. The term loan is repayable in 33 monthly unequal installments.commencing from the month of disbursement of term loan.

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements
As at 31 March 2016

(Currency: Indian rupees in lakhs)

6 Long-term borrowings *(Continued)*

MEP Chennai Bypass Toll Road Private Limited

I) Vehicle Loan

Vehicle loans of Rs.5.00 lakhs (previous year Rs.12.11 lakhs) are from bank and carries an interest rate ranging from 10.75% to 11.50% p.a. The loans are repayable in 35-36 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

Rideema Toll Bridge Private Limited

I) Term loan from bank of Rs 1899.28 lakhs (previous year : Rs 2394.94 Lakhs) is secured by way of first charge as below:

a) by way of hypothecation on all the company's cash flows and receivables deposited in escrow account after meeting the priorities as provided in the escrow agreement & concession agreement

b) on entire movable assets of the company present and future

c) by way of assignment of toll collection right awarded by Hoogly river bridge commissioners at Vidyasagar Setu, Kolkata

Further the loan is secured by corporate guarantee of MEP Infrastructure Developers Limited, the Holding Company and personal guarantee of Mr. Jayant D. Mhaiskar, Director of the Company.

Term loan carries interest rate of base rate of bank plus a spread of 2.30% and is repayable in 4 years in equal monthly instullment (2 months moratorium) from the month of disbursement.

II) Term loan from financial institution of Rs 350.00 lakhs (previous year Rs: Nil) is secured by way of first charge as below:

a) the repayment of the facility, interest, fees, costs, charges and expenses and all other amounts payable under the agreement sholl be secured in such manner including by way of mortage in favour of ABHFL over the Property/ies at Flat No 1001, 10th Floor, Chandilier Court, Manjrekar Lane, Worli, Mumbai - 400 018

b) Personal Guarantee from Mr.Jayant D. Mhaiskar and Ms.Anuya J Mhaiskar

Term loan carries interest rate of 14.85% and is repayable in 60 monthly unequal installments from the month of disbursement.

Vehicle loan

Vehicle loans from banks amounting to Rs 12.36 lakhs (previous year : Rs 4.84 lakhs) carry an interest rate ranging between 10.25% - 11.75% p.a. The loans are repayable in 35 - 36 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

MEP Hyderbad Bangalore Toll Road Private Limited

I) Term loan of Rs 1,860.00 lakhs (Previous Year Rs.2,625.00 lakhs) from a bank is secured as below :

a) a first charge on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company;

b) a first charge by way of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);

c) immovable residential house property situated in Pune, owned by promoters.

d) corporate guarantees given by MEP Infrastructure Developers Limited, the holding company and personal guurantees by Mr. Jayant D. Mhaiskar and Mrs. Anuyn J. Mhaiskar, directors of the company;

e) pledge of 30% shares of the promoters of the company.

The loan carries an interest rate calculated on the base rate of the bank plus a spread of 2.30% p.a.

The loan is repayable in 16 structured Quarterly installments commencing from 31st March 2014.

II) Commercial equipment loan

The loan amount of Rs.192.61 Lakhs (Previous Year Rs.249.95 lakhs) are from bank is secured as below;

a) First charge in favour of the Bank by way of Hypothecation of respective commercial equipments of the company.

b) Personal Guarantee given by Mr. Jayant Mhaiskar, director of the company.

c) The loan carries an interest rate of 11.50% p.a

d) The loans are repayable in 59 monthly installments along with interest, from the date of disbursement.

e) The loan is also co-borrowed by the holding company.

III) Vehicle loans

Vehicle loans of Rs 14.32 lakhs (previous year Rs.46.69 lakhs) are from bank and carries an interest rate ranging from 10.75% to 11.50% p.a. .The loans are repayable in 35-36 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

MEP RGSL Toll Bridge Private Limited

Term loans from banks of Rs 1,721.96 lakhs (previous year : Rs 3,490.82 lakhs) secured by a first pari-passu charge as follow:

a) on escrow on the entire cash flow, toll collections, revenue/receivable (from the project) of the company;

b) by way of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);

c) by way of hypothecation / mortgage / assignment, as the case may be of all the rights, title, interest, benefits, claims and demands; and

d) Corporate guarantee of MEP Infrastructure Developers Limited, the holding company and personal guarantee given by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, directors of the Company and some of the relutives of the directors

The term loans carry an interest rate of 12.00% p.a.

Term loan of Rs 834.50 lakhs (previous year : Rs 1,759.50 lakhs) is repayable in 36 unequal monthly installments after the moratorium period of three months from the date of first drawdown.

Term loan of Rs 613.96 lakhs (previous year : Rs 1,096.32 lakhs) and Rs. 273.50 lakhs (previous year : Rs 635.00 lakhs) are repayable in 36 unequal monthly installments and 33 unequal monthly installments respectively from the date of first drawdown.

Vehicle loans

Vehicle loan of Rs 3.68 lakhs (previous year : Rs 5.49 lakhs) is from a financial institution and carry an interest rate of 10.88% p.a. .The loan is repayable in 36 monthly instalments along with interest, from the date of disbursement. The loan is secured by ~~the way of~~ hypothecation of the respective vehicle.

MUMBAI
GOKHALE & SATHE
CHARTERED ACCOUNTANTS
FIRM No. 103264W

Ralma Toll Road Private Limited

Term loan amount of Rs.Nil (Previous year Rs.774.00 lakhs) is secured as below :

a) a first pari-passu charge by way of hypothecation on entire movable assets of the company

b) a first charge by way of hypothecation, on the company's cash flows and receivables including revenues of the company.

c) a first charge on all intangibles including but not limited to goodwill and uncalled capital,

d) a first charge on the Escrow account, DSRA and any other reserves and other bank accounts of the Company.

e) a first pari-passu charge on the cash flows and receivables of MEP Chennai Bypass Toll Road Private Limited, (herein after referred as "MEPCBTRPL") (fellow subsidiary Company) including revenues of "MEPCBTRPL".

f) a second charge by way of hypothecation, on the cash flows and receivables of MEP RGSL Toll Bridge Private Limited, a fellow subsidiary company.

g) Pledge of 30% shares of the company held by MEP Infrastructure Developers Limited, the holding company.

h) Corporate guarantees given by MEP Infrastructure Developers Limited, the holding company and personal guarantee by Mr. Jayant D. Mhaiskar, director of the company.

The loan carry interest rate calculated on the base rate of the bank plus a spread of 2.75% p.a.

The loan is repayable in 28 unequal monthly installments after moratorium of 3 months commencing from December 2013.

Vehicle loans

Vehicle loans of Rs 279.30 lakhs (previous year Rs.28.75 lakhs) are from bank and carries an interest rate ranging from 9.75% to 11.75% p.a. .The loans are repayable in 35-36 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

Ralma Toll and Infrastructure Private Limited

Term Loan of Rs 484.00 lakhs (previous year : Rs 2,376.00 lakhs) is from a bank and is secured by first charge as below;

a) by way of escrow account on entire cash flows, toll collection revenues from the project,

b) on the receivables from the project.

Further, the loan is secured by corporate guarantee given by MEP Infrastructure Developers Limited, the holding company and personal guarantee by Mr. Jayant Mhaiskar, director of the holding company.

The loan carries an interest rate calculated on the base rate of the bank plus a spread of 230 basis points.

The loan is repayable in 9 monthly equal instalments and the funded portion of security deposit is payable at the end of 30 months or receipt of security deposit from authority(i.e MSRDC) , whichever is earlier.

MEP Highway Solutions Private Limited

Commercial Equipment Loan

Commercial equipment loans of Rs 84.06 lakhs (previous year : 117.53 lakhs) are from a financial institution and carry an interest rate ranging from 12.00% to 12.01% p.a. .The loans are repayable in 40 monthly instalments along with interest, from the date of disbursement. The loans are secured by the way of hypothecation of the respective equipments. The loans are also secured by corporate guarantee given by MEP Infrastructure Developers Limited, the Holding Company and personal Guarantee by Mr. Jayant Mhaiskar, director of the Company.

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements
As at 31 March 2016

(Currency: Indian rupees in lakhs)

7 Other long-term liabilities

	Non-current portion		Current portion	
	31 March 2016	31 March 2015	**31 March 2016**	31 March 2015
Payable to authority	**5,220.00**	10,440.00	**5,426.72**	5,276.76
	5,220.00	10,440.00	**5,426.72**	5,276.76

8 Provisions

	Non-current portion		Current portion	
	31 March 2016	31 March 2015	**31 March 2016**	31 March 2015
Provision for employee benefits				
- Gratuity payable (refer note 29.7)	**311.87**	227.38	**62.18**	45.61
Provision for wealth tax	-	-	-	2.62
Proposed final equity dividend	-	-	**162.57**	-
Provision for tax on equity dividend	-	-	**33.10**	-
	311.87	227.38	**257.85**	48.23

9 Short-term borrowings

	31 March 2016	31 March 2015
Term loan		
- from banks	**12,130.74**	8,896.13
Loans repayable on demand		
- from banks	**12,495.72**	11,715.49
Unsecured loans		
- from related parties	**25.82**	100.00
- loan from others	**409.33**	4.75
	25,061.61	20,716.37

I) Short -term loan taken by MEP Infrastructure Developers Limited

A) Term Loans from bank amounting to Rs. 5,000.13 lakhs (previous year : Rs 5,000.00 lakhs) is secured as below :
(a) First and pari passu charge on entire fixed/current assets of the Company which are not exclusively charged to other Banks/ Lenders.
(b) First charge / hypothecation / assignment of security interest on Escrow account of the projects financed;
(c) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
(d) Debt Service Reserve Account (DSRA) to be maintained for an amount equivalent to the next 3 months of interest servicing.
(e) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited;
(f) Personal Guarantee given by Mr. J.D. Mhaiskar director of the Company;
The term loan carries an interest rate calculated on base rate of the bank plus a spread of 2.30% p.a. The loan is repayable in bullet upon release of Bid/Performance Security by the Authority of the project financed.

B) Term Loans from bank amounting to Rs Nil (previous period : Rs 1,028.36 lakhs) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.
(c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited;
(d) Personnel Guarantee given by Mr. J.D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on base rate of 13.% p.a. floating at monthly reset. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

C) Term Loans from bank amounting to Rs 495.00 lakhs (previous year : Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.
(c) Personal Guarantee given by Mr. J.D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on base rate of 12.50 % (floating) p.a. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

D) Term Loans from bank amounting to Rs 705.00 lakhs (previous year : Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.
(c) Personal Guarantee given by Mr. J.D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on base rate of 12.50 % (floating) p.a. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

MUMBAI

(Currency: Indian rupees in lakhs)

9 Short-term borrowings *(Continued)*

E) Term Loans from bank amounting to Rs 617.25 lakhs (previous year : Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;
(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable;
(c) Personal Guarantee given by Mr. J.D. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on base rate of 12.50 % p.a. (floating) at monthly rest. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

F) Term Loans from bank amounting to Rs 1799.25 lakhs (previous year : Nil) is secured as below :
(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;
(b) Pari passu charge on the project cash flows of toll collection project with the BG issuing bank and Exclusive charge over the performance security deposit with Authority and its subsidiaries for any project funded by the bank;
(c) Personal Guarantee given by Mr. J.D. Mhaiskar and Mrs. Anuya J. Mhaiskar, Director of the Company;
The term loan carries an interest rate calculated on base rate of 12.50 % p.a. (floating) i.e. 3.25% below PLR. The loan is repayable in 12 unequal monthly installments from the date of first disbursement.

II) Short -term loan taken by subsidiaries

Rideema Toll Bridge Private Limited

Term loan from bank of Rs 3,480.60 Lakhs (previous year : Rs 2,000.00 Lakhs) is secured by way of first charge as below:

a) by way of hypothecation on all the company's cash flows and receivables deposited in escrow account after meeting the priorities as provided in the escrow agreement & concession agreement;
b) on entire movable assets of the company, current & future;
c) by way of assignment of toll collection right awarded by Hoogly river bridge commissioners at Vidyasagar Setu, Kolkata;

Further the loan is secured by corporate guarantee of MEP Infrastructure Developers Limited, the Holding Company and personal guarantee of Mr. Jayant D. Mhaiskar, Director of the Company.

Term loan carries an interest rate calculated on base rate of the bank plus a spread of 2.30% p.a. and is repayable in 11 monthly equal installments after one month from the month of disbursement.

Delays in repayment of principal installment of the loan of Rs 437.00 lakhs from a bank over a range of 4 to 18 days. The delayed amounts have been paid subsequently.

MEP IRDP Solapur Toll Road Private Limited

a) Term loan of Rs Nil (previous year : Rs 473.27 lakhs) from bank is secured by way of first charge of hypothecation / assignment / security interest on the escrow account of the projects financed.

Further, the term loan is also secured by corporate guarantee from MEP Infrastructure Developers Limited, the holding Company and personal guarantees given by Mr. Jayant Mhaiskar and Mrs. Anuya Mhaiskar, directors of the Company and personal guarantees of some relatives of the directors.

The term loan carry interest rate of 13.5% p.a. The term loan is repayable in 12 equal monthly instalments

MEP Road & Bridges Private Limited

Term loans include loan from a bank amounting to Rs Nil (previous year : Rs 394.50 lakhs) which is secured by way of first charge as below:

(a) assignment / hypothecation of entire cash flows, toll collection, revenue and receivables from the Toll collection ;
(b) Personal Guarantee given by Mr. J.D. Mhaiskar, director of holding the Company;
(c) Corporate guarantee given by MEP Infrastructure Developers Limited, (Holding Company);
(d) The term loan carries an interest rate of 13% p.a.
(e) The loan is repayable in 11 monthly installments from the date of first drawdown.

III) Loans repayable on demand

MEP Infrastructure Developers Limited

A) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 4,999.07 lakhs (previous year : Rs. 4,998.27 lakhs) is secured as below:

a) First charge / hypothecation / assignment of security interest on Escrow account;
b) Personnel Guarantee given by Mr. Jayant D. Mhaiskar and Mr. Dattatray P. Mhaiskar, directors of the Company;
c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited.

Loan carries an interest rate calculated on the base rate of the bank and a spread of 3% p.a.

B) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 7,496.65 lakhs (previous year : Rs 6,717.22 lakhs) which is secured as below:

a) First charge / hypothecation / assignment of security interest on Escrow account;
b) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
c) First charge on receivable of the projects financed.
d) Personnel Guarantee given by Mr. Jayant D. Mhaiskar, director of the Company;
e) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited.

Loan carries an interest rate calculated on the base rate of the bank and a spread of 2.50% p.a.

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements
As at 31 March 2016

(Currency: Indian rupees in lakhs)

9 Short-term borrowings *(Continued)*

IV) Unsecured loans

A) Interest free unsecured loan from Mr. Jayant Mhaiskar of Rs 25.82 lakhs (previous year : Rs 100 lakhs) is repayable on demand.

B) Interest free unsecured loan from Pratibha Industries Limited (shareholder of the company) of Rs 4.75 lakhs (previous year : Rs 4.75 lakhs) which is repayable on demand.

C) Interest free unsecured loan of SMYR Consortium LLP of Rs 404.58 lakhs (previous year : Nil) is repayable on demand.

10 Trade payables

	31 March 2016	31 March 2015
Trade payable towards goods purchased and services received		
- dues of micro enterprises and small enterprises	-	0.56
- other creditors	33,442.66	26,626.99
	33,442.66	26,627.55

11 Other current liabilities

	31 March 2016	31 March 2015
Current maturities of long-term borrowings (refer note 6)	16,793.80	17,191.61
Current maturities of long-term liabilities (refer note 7)	5,426.72	5,276.76
Interest accrued but not due on borrowings	1,298.18	1,136.11
Interest accrued and due on borrowings	2,120.69	5,897.26
Employee benefits expense payable	714.09	644.63
Statutory dues payable	615.18	1,191.78
Other liabilities	1,577.71	1,131.82
	28,546.37	32,469.97

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements
As at 31 March 2016

(Currency: Indian rupees in lakhs)

12 Fixed assets
As at 31 March 2016

Particulars	Gross block				Depreciation/Amortisation				Net block
	As at 1 April 2015	Additions	Sale / Deletion	As at 31 March 2016	As at 1 April 2015	For the year	Sale / Deletion	As at 31 March 2016	As at 31 March 2016
Tangible fixed assets									
Leasehold Land #	26.75	-	-	26.75	0.87	0.29	-	1.16	25.58
Office premises@	464.50	598.65	-	1,063.15	82.05	39.82	-	121.87	941.27
Building - others	-	502.75	1.16	501.59	-	2.62	-	2.62	498.97
Plant & Machinery	-	1,324.21	15.76	1,308.45	-	19.42	-	19.42	1,289.02
Toll equipments	2,011.12	1,036.81	10.70	3,037.23	628.39	433.76	6.52	1,055.63	1,981.59
Furnitures and fixtures	201.38	24.66	-	226.04	110.73	40.25	-	150.98	75.05
Vehicles	1,537.79	759.09	13.65	2,283.23	960.38	325.59	13.65	1,272.32	1,010.91
Office equipments	286.40	49.20	-	335.60	92.44	70.37	-	162.81	172.78
Computer system	526.22	128.29	5.45	649.06	345.82	157.23	4.51	498.54	150.51
Total	**5,054.16**	**4,423.66**	**46.72**	**9,431.10**	**2,220.68**	**1,089.35**	**24.68**	**3,285.35**	**6,145.68**
Capital work in progress	1,626.84	854.51	1,814.63	666.72	-	-	-	-	666.72
Total	**1,626.84**	**854.51**	**1,814.63**	**666.72**	-	-	-	-	**666.72**
Intangible fixed assets									
Toll collection rights*	261,101.10			261,101.10	50,993.25	15,972.82	-	66,966.07	194,135.03
Goodwill on consolidation	2,652.04			2,652.04	-			-	2,652.04
Total	**263,753.14**	-	-	**263,753.14**	**50,993.25**	**15,972.82**	-	**66,966.07**	**196,787.07**

#As per Lease Deed, lease hold land has been amortised by straight line method over the period of ninty three years from the date of lease deed 10 May 2012.

@ Office premise is under mortgage with a bank.

*Toll collection rights comprises of:

1) Construction of bridge on BOT basis along with the upfront payment of Rs. 7,272.49 lakhs made to MSRDC . The concession period for toll collection as per the concession agreement is nineteen years and four months.

2) Toll collection rights at Vidyasagar Setu bridge for a period of 5 years by Hoogly River Bridge Commissioners for Rs 26,743.21 lakhs payable in 5 equal installment on yearly upfront basis.

3) Upfront payment of Rs. 2,12,085.40 lakhs made to MSRDC and other direct expenses incurred to acquire the toll collection rights for Mumbai Entry Points. The concession period for toll collection is for a period of sixteen years.

4) Upfront payment of Rs. 15,000 lakhs made to 'RIDCOR' for Phalodi - Ramji ki Gol road corridor. The license period for toll collection as per the License Agreement is for a period of five years (upto 16 September 2015).

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements
As at 31 March 2016

(Currency: Indian rupees in lakhs)

12 Fixed assets
As at 31 March 2015

Particulars	Gross block				Depreciation/Amortisation				Net block
	As at 1 April 2014	Additions	Sale / Deletion	As at 31 March 2015	As at 1 April 2014	For the year	Sale / Deletion	As at 31 March 2015	As at 31 March 2015
Tangible fixed assets									
Leasehold Land #	26.75	-	-	26.75	0.58	0.29	-	0.87	25.88
Office premises@	464.50	-	-	464.50	46.54	35.51	-	82.05	382.45
Vehicles	1,427.36	143.48	33.06	1,537.79	549.92	436.60	26.14	960.38	577.41
Computer system	296.44	237.48	7.70	526.22	138.54	211.76	4.48	345.82	180.40
Toll equipments	1,034.24	991.25	14.37	2,011.12	224.26	406.83	2.70	628.39	1,382.72
Office equipments	112.63	181.66	7.89	286.40	20.40	75.59	3.55	92.44	193.96
Furnitures and fixtures	196.15	5.94	0.72	201.38	52.04	58.95	0.26	110.73	90.65
Total	**3,558.07**	**1,559.81**	**63.74**	**5,054.16**	**1,032.28**	**1,225.53**	**37.13**	**2,220.68**	**2,833.47**
Capital work in progress	577.77	1,166.07	**117.00**	1,626.84	-	-	-	-	1,626.84
Total	**577.77**	**1,166.07**	**117.00**	**1,626.84**	-	-	-	-	**1,626.84**
Intangible fixed assets									
Toll collection rights*	261,818.33	-	717.23	261,101.10	34,942.25	16,768.23	717.23	50,993.25	210,107.85
Goodwill on consolidation**	6,968.69	-	4,316.65	2,652.04	1.22	-	(1.22)	0.00	2,652.04
Total	**268,787.02**	-	**5,033.88**	**263,753.14**	**34,943.48**	**16,768.23**	**716.01**	**50,993.25**	**212,759.89**

#As per Lease Deed, lease hold land has been amortised by straight line method over the period of ninty three years from the date of lease deed 10 May 2012.

@ Office premise is under mortgage with a bank.

*Toll collection rights comprises of:
1) Construction of bridge on BOT basis along with the upfront payment of Rs. 7,272.49 lakhs made to MSRDC . The concession period for toll collection as per the concession agreement is nineteen years and four months.
2) Toll collection rights at Vidyasagar Setu bridge for a period of 5 years by Hoogly River Bridge Commissioners for Rs 26,743.21 lakhs payable in 5 equal installment on yearly upfront basis.
3) Upfront payment of Rs. 2,12,085.40 lakhs made to MSRDC and other direct expenses incurred to acquire the toll collection rights for Mumbai Entry Points. The concession period for toll collection is for a period of sixteen years.
4) Upfront payment of Rs. 15,000 lakhs made to 'RIDCOR' for Phalodi - Ramji ki Gol road corridor. The license period for toll collection as per the License Agreement is for a period of five years (upto 16 September 2015).

**Goodwill on consolidation has been derecognised pursuant to sale of subsidiaries / reassessment of previously recognised goodwill (also refer note 5).

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements
As at 31 March 2016

(Currency: Indian rupees in lakhs)

13 Non-current investments

(Valued at cost unless stated otherwise)	31 March 2016	31 March 2015
A) Trade investments		
In preference shares of enterprises over which significant influence is exercised by key managerial personnel		
12% Non Cumulative Redeemable Preference Shares of Rs. 10 each		
2,09,00,000 (previous year: 2,09,00,000) Preference shares of Ideal Hospitality Private Limited of Rs 10 each.	**2,090.00**	2,090.00
In equity shares of enterprises over which significant influence is exercised by key managerial personnel		
Unquoted, fully paid up		
3,300 (previous year : 3,300) equity shares of A J Toll Private Limited of Rs 100 each.	**3.30**	3.30
B) Other investments		
Unquoted, fully paid up		
4,000 (previous year : 4,000) equity shares of Jankalyan Sahakari Bank Limited of Rs 10 each.	**0.40**	0.40
60,080 (previous year : 60,080) equity shares of The Kalyan Janata Sahakari Bank Limited of Rs 25 each.	**15.02**	15.02
9,980 (previous year : 9,980) equity shares of Thane Janata Sahakari Bank Limited of Rs 50 each.	**4.99**	4.99
11,040 (previous year: 11,040) equity shares of Dombivali Nagari Sahakari Bank Limited of Rs.50 each.	**5.52**	5.52
76,950 (previous year: 76,950) equity shares of Jankalyan Sahakari Bank Limited of Rs.50 each.	**38.48**	38.48
14,030 (previous year: 14,030) equity shares of The Ambernath Jai Hind Co Op Bank Limited of Rs 25 each.	**3.51**	3.51
5,010 (previous year : Nil) equity shares of The Ambernath Jai Hind Co Op Bank Limited of Rs 100 each.	**5.01**	-
	2,166.22	2,161.21

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements
As at 31 March 2016

(Currency: Indian rupees in lakhs)

14 Deferred tax assets / (liabilities) (net)

	31 March 2016	31 March 2015
a) Deferred tax assets		
Carry forward business loss and unabsorbed depreciation	45,239.10	39,979.38
Provision for employee benefits	167.86	100.15
Gross Deferred tax assets	45,406.96	40,079.53
b) Deferred tax liabilities		
Excess of depreciation / amortisation on fixed / intangible assets in income-tax law over depreciation / amortisation provided in accounts.	34,706.07	30,645.71
Gross Deferred tax liabilities	34,706.07	30,645.71
Net Deferred tax assets / liabilities	10,700.89	9,433.82
The above has been reflected in the Consolidated Balance Sheet as follows:		
Deferred tax assets (net)	10,699.30	9,426.85
Deferred tax liabilities (net)	1.59	6.98

15 Long-term loans and advances
(Unsecured, considered good)

	Non-current portion		Current portion	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
To related parties:				
Loans and advances				
-as mobilisation advance [refer note 15(a)(I)]	-	-	6,180.28	6,739.68
-as loans [refer note 15(a)(I)&(II)]	33,000.00	35,847.18	2,622.01	-
- advance against acquisition of equity shares [refer note 15(b]	-	0.16	-	-
- capital advances [refer note 15(a)(I)]	2,463.77	2,694.30	-	-
To parties other than related parties:				
Advance income tax (net of provision of Rs. 10,692.68 lakhs previous year Rs. 8,280.06)	2,382.33	2,744.26	-	-
MAT credit entitlement	366.38	112.21	-	-
Balance due from government authorities	24.38	19.51	-	-
Mobilisation advance	33,402.44	33,944.26	11,550.67	4,661.61
Capital advances	8,866.40	5,643.02	-	-
Loans to employees	16.69	17.68	10.69	26.38
Prepaid expenses	186.42	375.67	1,197.97	796.14
Other loans	7,873.31	6,526.45	-	-
Performance security	981.79	1,346.56	5,019.00	4,980.02
Other security deposits	82.64	71.71	375.38	1.93
Advances recoverable in cash or kind	181.38	-	-	-
	89,827.93	89,342.97	26,956.00	17,205.76

a) Loans and advances to related parties

I) Loans and advances to holding company	Non-current portion		Current portion	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
- Capital advance to Ideal Toll & Infrastructure Private Limited	2,463.77	2,694.30	-	-
- Loan to Ideal Toll & Infrastructure Private Limited	33,000.00	35,844.65	2,622.01	-
- Mobilisation advance to Ideal Toll & Infrastructure Private Limited	-	-	6,180.28	6,739.68
	35,463.77	38,538.95	8,802.29	6,739.68

II) Enterprises over which significant influence exercised by key managerial personnel

	Non-current portion		Current portion	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
- MEP Hamirpur Bus Terminal Private Limited	-	0.61	-	-
- MEP Una Bus Terminal Private Limited	-	1.92	-	-
	-	2.53	-	-

(Currency: Indian rupees in lakhs)

(b) Advance against acquisition of the equity shares

Enterprises over which significant influence exercised by key managerial personnel

- MEP Toll Gates Private Limited	-	0.16
	-	0.16

16 Other non-current assets

	31 March 2016	31 March 2015
Fixed deposits with banks with maturity period more than twelve months from reporting date (refer note 19)	**3,778.10**	3,646.03
Interest accrued on fixed deposits	**343.41**	226.59
	4,121.51	3,872.62

Notes to the Consolidated financial statements
As at 31 March 2016

(Currency: Indian rupees in lakhs)

17 Current investments

	31 March 2016	31 March 2015
Non-trade investments		
(valued at lower of cost and fair value)		
Investments in quoted mutual funds		
Nil units (previous year: 1,06,256.941 units) NAV Rs. 1000.54 face value Rs. 1000/- (previous year Rs 1000.54) each IDFC Cash Fund Plan*	-	1,063.30
	-	1,063.30
The aggregate book value and market value of unquoted investments are as follows:		
Aggregate book and market value	-	**1,063.30**

*Investment in IDFC mutual funds are provided as a lien to financial institutions for maintenance of Debt Service Reserve Account.

18 Trade receivables

	31 March 2016	31 March 2015
(Unsecured, considered good)		
Receivable outstanding for a period exceeding six months from the date they became due for payment	-	8.60
Other receivables	17.27	2,574.24
	17.27	2,582.84

Trade receivables of Rs Nil (previous year : Rs 2,551.53 lakhs) are due from related parties as below.

Enterprises over which significant influence is exercised by key managerial personnel

- D S Enterprises	-	2,551.53
	-	2,551.53

19 Cash and bank balances

	31 March 2016	31 March 2015
Cash and cash equivalents		
Balances with banks		
- in current accounts	1,882.01	2,638.73
- in fixed deposits	73.23	35.87
Cash on hand	3,663.40	2,236.84
	5,618.64	4,911.44
Other bank balances	9,366.00	8,570.34
	14,984.64	13,481.78

Details of bank balances/deposits	31 March 2016	31 March 2015
Bank balances available on demand/deposits with original matarity of 3 months or less included under 'Cash and cash equivalents'	1,955.24	2,674.60
Bank deposits due to mature within 12 months from the reporting date included under 'Other bank balances'	9,366.00	8,570.34
Bank deposits due to mature after 12 months from the reporting date included under 'Other non current assets'	3,778.10	3,646.03
	15,099.34	14,890.97

Notes

a) Bank deposit include fixed deposits with various banks of Rs. 4,315.56 lakhs (previous year : Rs 3,745.76 lakhs) which are provided as lien for the bank guarantee given to various authorities

b) Bank deposits include fixed deposits with various banks of Rs 8,387.51 lakhs (Previous Year : Rs 7,991.18 lakhs) which are provided as lien to the banks and financial institutions for maintenance of Debt Service Reserve Account.

c) Bank deposits include fixed deposits with various banks of Rs 139.25 lakhs (Previous Year : Rs 140.29 lakhs) which are placed as a security for loan taken from the bank.

d) Bank deposits of Rs 375.00 lakhs (previous year : Rs 375.00 lakhs) with banks are provided as cash margin for bank overdraft taken from the bank.

(Currency: Indian rupees in lakhs)

20 Short-term loans and advances

	31 March 2016	31 March 2015
(Unsecured, considered good)		
To related parties		
Current portion of long term loans and advances [refer note 15]	8,802.29	6,739.68
Other advances [refer note 20 (a)]	200.00	200.00
To parties other than related parties		
Current portion of long term loans and advances [refer note 15]	18,153.71	10,466.08
Advances recoverable in cash or kind	4,796.27	202.39
Others	206.95	200.00
Advances to suppliers	260.34	86.24
Advances for authority payment	376.49	222.44
	32,796.05	18,116.83

(a) Other advances

Enterprises over which significant influence is exercised by key managerial personnel		
- MEP Toll Gates Private Limited	200.00	200.00
	200.00	200.00

21 Other current assets

	31 March 2016	31 March 2015
Interest receivable		
- accrued on fixed deposits	175.09	229.38
- accrued on loans to related parties	44.82	54.76
- accrued on loans to others	2,412.49	987.47
Other assets - related party	690.88	185.25
Other receivables from other than related parties	34.53	39.07
Unamortised expenditure- share issue expenses	-	600.97
Claims receivable*	7,099.97	4,202.69
	10,457.78	6,299.59

***Claims receivable**

a) One of the Company's subsidiary has preferred claims of Rs.5,100.50 lakhs (previous year: Rs 2,902.98 lakhs) receivable from National Highways Authority of India (herein after referred as "NHAI") towards lesser user fees paid by TNSTC, floods, delay in commencement of COD and temporary injunction by Madurai bench of Hon'ble High court of Madras on collection of toll on certain vehicles in one of the Toll plazas.

b) Toll collection contract between one of the Company's subsidiary with Maharashtra State Road Development Co. Ltd (herein after referred as "MSRDC") was terminated on 30 June 2014.The said subisidary is entitled for compensation of Rs. 370.54 lakhs (previous year Rs. 370.54 lakhs) as per clause 31 of the Concession Agreement / Bid document entered with MSRDC.

c) One of the Company's subsidiary has preferred claim of Rs.863.06 lakhs (previous year Rs. 929.18 lakhs)receivable from NHAI towards "Force Majeure" clause of Article 26 of the Concession Agreement between the said subsidiary and NHAI mainly on account of Seemandhra / Telangana Agitation.

d) One of the Company's subsidiary has recognised claim of Rs 157.07 lakhs (previous year Rs.Nil) receivable from MSRDC towards "Change of scope / variation" clause.

e) Two of the Company's subsidiary have recognised claims of Rs 517.13 lakhs (previous year Rs.Nil) receivable from MSRDC towards "Force Majeure" clause.

f) One of the Company's subsidiary has recognized a claim of Rs.91.67 lakhs (previous year Rs.Nil) receivable from Hooghly River Bridge Commissioners (HRBC) as per concession agreement.

MUMBAI

MEP Infrastructure Developers Limited

(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements

for the year ended 31 March 2016

(Currency: Indian rupees in lakhs)

		31 March 2016	31 March 2015
22	**Revenue from operations**		
	Toll collection	**197,467.35**	198,426.03
	Other Operating Income		
	- Claims from authority (refer note 21)	**3,212.66**	2,451.72
		200,680.01	200,877.75
23	**Other income**		
	Interest income		
	- from fixed deposits	**1,097.09**	989.69
	- from loans to related parties	**1,299.66**	1,124.13
	- from loans to parties other than related parties	**1,487.81**	925.25
	Facility fees	**120.00**	-
	Dividend income	**21.73**	63.87
	Profit on sale of mutual funds	**-**	0.08
	Provisions no longer required written back	**2.95**	64.88
	Profit on sale of investment in subsidiary	**-**	47.32
	Profit on sale of fixed assets	**2.82**	18.10
	Miscellaneous income	**38.24**	18.58
		4,070.30	3,251.90
24	**Operating and maintenance expenses**		
	Concession fees to authority	**126,598.86**	136,003.92
	Road repairing and maintenance expenses	**2,628.71**	6,055.60
	Toll - site attendant expenses	**1,243.37**	1,327.91
	Site expenses	**925.14**	100.00
	Maintenance cost paid to authority	**180.20**	173.33
	Other site operational expenses	**1,250.84**	1,451.46
	Supervision and independent engineer fees to authority	**501.62**	590.37
		133,328.74	145,702.59
25	**Employee benefit expenses**		
	Salaries, wages and bonus*	**6,548.58**	6,423.81
	Contribution to provident funds and other funds (refer note 29.7)	**419.51**	377.36
	Gratuity expenses (refer note 29.7)	**118.10**	103.01
	Staff welfare expenses	**667.25**	707.17
		7,753.44	7,611.35

* With respect to payment of Directors remuneration of Rs. 120.00 lakhs, one of the Subsidiary Companies has approached the Central Government for obtaining their requisite approval for complying with the conditions as stipulated under the provisions of section 196, 197, 198 and other applicable provision of the Companies Act, 2013 ("the Act") read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Rules").

GOKHALE & SATHE CHARTERED ACCOUNTANTS MUMBAI FIRM No. 103264W

(Currency: Indian rupees in lakhs)

	31 March 2016	31 March 2015
26 Finance costs		
Interest expenses		
- from banks	**26,604.73**	27,403.77
- from financial institutions	**10,777.57**	12,052.08
Other borrowing cost		
- processing fees	**229.30**	452.85
- bank guarantee and commission	**711.53**	452.62
	38,323.13	40,361.32
27 Depreciation and amortisation		
Depreciation and amortisation	**17,062.17**	17,993.76
	17,062.17	17,993.76
28 Other expenses		
Rent (refer note 29.5)	**15.88**	11.66
Rates and taxes	**531.84**	443.49
Directors sitting fees	**6.60**	1.57
Insurance	**56.32**	62.58
Legal, consultancy and professional fees	**773.77**	594.68
Travelling expenses	**1,144.49**	889.89
Business promotion and advertisement expenses	**345.64**	111.64
Repairs and maintenance		
- to plant and machinery	**74.02**	71.51
- to computers	**66.06**	38.81
- others	**211.86**	185.61
Provision for wealth tax	**-**	2.61
Corporate social responsibility expenses	**5.00**	-
Miscellaneous expenses	**882.59**	686.85
	4,114.07	3,100.90

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

(Currency : Indian rupees in lakhs)

29.1 Contingent liabilities

Particulars	31 March 2016	31 March 2015
Claims made against the Company not acknowledged as debts by the Company*	29,446.38	20,680.16
Guarantees given by banks	48,280.05	38,143.40
Corporate guarantees given	323,090.00	346,289.50
	400,816.43	405,113.06

*Claim against the Company not acknowledged as debts includes Rs 8,171.20 lakhs (previous year: Rs.8,171.20 lakhs). This relates to taxability of toll collection pursuant to contracts with MSRDC and NHAI under the category of 'Business Auxiliary Services'. The Department had filed an appeal against the favourable order passed by the Commissioner of Service Tax, Mumbai - II. The matter is currently pending at CESTAT, Mumbai

29.2 Capital commitments

	31 March 2016	31 March 2015
Estimated amount of contracts remaining to be executed on capital account (net of advance)	2,218.87	1,602.23
	2,218.87	1,602.23

29.3 Claim

As at 31 March 2016, one of the subsidiary companies has preferred claims with the National Highway Authority of India (NHAI), aggregating Rs.33,973.75 lakhs (As at 31 March 2015 : Rs.15,999.13 lakhs) on account of Toll Evasion and Force Majeure issues arising from non-compliance of the Concession Agreement by Authority. The Company has not recognised the claims in the consolidated financial statements pending final approval from Authority. Under the orders of the Hon'ble High Court of Delhi, both the Company and Authority were directed to amicably settle the disputes. As a part of the amicable settlement Independent Engineer has evaluated the claims made by the Company from time to time. However, final settlement on the same is yet to conclude. The estimated loss during the corresponding period as assessed by the Independent Engineer appointed by the Authority is much higher than the claims submitted to Authority. Hence, the Company has not recognised amount payable to Authority aggregating Rs.12843.19 lakhs respectively during the year ended 31 March 2016 (previous year : Rs.3,846.50 lakhs). As part of the amicable settlement, the Company, has handed over the Project Facilities and the Toll Plaza's to the NHAI from April 09, 2016. The Settlement of claims shall be dealt with as per the provisions of the Concession Agreement.

29.4 The Company is a 25% stake holder of SMYR Consortium (SMYR) incorporated to collect "Toll Tax" from the commercial vehicles entering Delhi for a period of 3 years. Hon'ble Supreme Court ("SC")had imposed Environment Compensation Charge ("ECC"), which resulted in significant drop in the vehicles entering Delhi. The Hon'ble SC, after extensive hearings considered the plea of SMYR and ordered the closure of the project with effect from 1st February 2016, and provided honourable exit to SMYR.

29.5 Operating lease

The Company had entered into operating lease agreement for premises, which is cancelled during the year. Rent expenses debited to the Statement of Profit and Loss is Rs. 1.30 lakhs (previous year : Rs. 7.07 lakhs) in respect of non-cancellable lease agreement. Total rent expenses is Rs. 15.88 lakhs (previous year : Rs. 11.66 lakhs) (refer note 25). The future minimum lease payments in respect of these properties as on 31 March 2016 is as below:

	31 March 2016	31 March 2015
Not later than one year	-	8.33
Later than one year but not later than five years	-	1.39
Later than five years	-	-
	-	9.72

29.6 Earnings per share

		31 March 2016	31 March 2015
Profit/ (loss) attributable to equity shareholders (Rs. in lakhs)	A	2,632.66	(11,533.31)
Number of equity shares at the beginning of the year		111,494,250	100,000,000
Number of equity shares outstanding at the end of the year		162,569,191	111,494,250
Weighted average number of equity shares outstanding during the period	B	158,522,269	109,699,258
Basic earnings per equity share (Rs)	(A / B)	1.66	(10.51)
Diluted earnings per share			
Profit attributable to existing and potential shareholders	A	2,632.66	(11,533.31)
Weighted average number of equity shares outstanding during the period for the calculation of diluted earnings per share	B	158,522,269	109,699,258
Diluted earnings per share	(A / B)	1.66	(10.51)
Face value per equity share (Rs)		10.00	10.00

29.7 Employee benefits

The disclosures as required as per the revised "Accounting Standard 15" are as under:

I) Defined contribution plan

i) Contribution to Provident Fund
ii) Contribution to Employees State Insurance Corporation
iii) Contribution to Maharashtra Labour Welfare Fund

The Company has recognised the following amounts in the Consolidated Statement of Profit and Loss for the year*:	31 March 2016	31 March 2015
- Employers' Contribution to Provident Fund	271.71	218.43
- Employers' Contribution to Employees State Insurance Corporation	145.74	156.66
- Maharashtra Labour Welfare Fund	2.06	2.28
	419.51	377.36

*Included in Contribution to provident fund and other funds (refer note 25 - Employee benefits)

II) Defined benefit plan

Gratuity

The Group / Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The Group / Company during the year provided Rs 118.10 lakhs (Previous year : Rs. 103.01 lakhs) towards gratuity in the Consolidated Statement of Profit and Loss.

In accordance with the Accounting Standard 15 (Revised 2005), actuarial valuation has been done in respect of defined benefit plan of gratuity based on the following assumptions:

	31 March 2016	31 March 2015
Discount rate	7.85%	7.95%
Salary escalation rate	6.00%	6.00%
Expected average remaining service life of the employees	4.76 to 11.60	5.24 to 8.68

(i) Change in present value of obligation

	31 March 2016	31 March 2015
Present value of obligations as at 1 April	272.99	176.84
Interest cost	24.23	18.84
Current service cost	54.91	40.84
Benefits paid	(17.02)	(6.87)
Liabilities assumed on acquisition / (settled on divestiture)	8.82	10.87
Actuarial gain/losses	30.14	32.46
Present value of obligations as at 31 March	374.08	272.99

(ii) Amount recognised in the Balance Sheet

	31 March 2016	31 March 2015
Present value of obligations as at 31 March	374.08	272.99
Present value of plan assets as at 31 March	-	-
Net liability recognised as on 31 March	374.08	272.99

Classification into Current / Non-Current

The liability in respect of the plan comprises of the following non current and current portion:

	31 March 2016	31 March 2015
Current	62.18	45.61
Non current	311.87	227.38
	374.05	272.99

(iii) Expenses recognised in the Consolidated Statement of Profit and Loss

	31 March 2016	31 March 2015
Current service cost	54.91	40.84
Interest cost on benefit obligation	24.23	18.84
Net actuarial loss recognised in the current year	30.14	32.46
Liabilities assumed on acquisition / (settled on divestiture)	8.82	10.87
Expense recognised in the Consolidated Statement of Profit and Loss (Refer Note 25)	118.10	103.01

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The Company's/Group's liability on account of gratuity is not funded and hence the disclosures relating to the planned assets are not applicable.

Experience adjustments	31 March 2016	31 March 2015	31 March 2014	31 March 2013	31 March 2012
Defined benefit obligation	374.05	272.99	176.82	-	139.30
Plan assets	-	-	-	-	-
(Deficit)	(374.05)	(272.99)	(176.82)	-	(139.30)
Experience adjustment on plan liabilities	33.25	9.99	0.23	(2.62)	14.81
Experience adjustment on plan assets	-	-	-	-	-

29.8 Segment reporting

The Company/Group is primarily engaged in the business of toll and octroi collection, which is the primary business segment of the Company/Group. The Company/Group does not have any separate geographical segment since all its operations are carried out in India. Hence, there are no separate reportable segments, as required by 'Accounting Standard 17' on "Segment reporting" as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

GOKHALE & SATHE CHARTERED ACCOUNTANTS MUMBAI

Notes to the Consolidated financial statements
for the year ended 31 March 2016

(Currency: Indian rupees in lakhs)

29.9 Related party disclosures

A. Name of related parties and the nature of relationship

I) Name of related parties with whom transactions have taken during the year	Nature of relationship
KVM Technology Solutions Private Limited SMYR Consortium LLP	Jointly controlled entities
MEP Toll Gates Private Limited VCR Toll Services Private Limited MEP Una Bus Terminal Private Limited MEP Hamirpur Bus Terminal Private Limited Jan Transport D S Enterprises Ideal Energy Projects Limited IEPL Power Trading Company Private Limited Rideema Enterprises A.J. Tolls Private Limited Ideal Hospitality Private Limited Ideal Toll & Infrastructure Private Limited	Enterprises over which significant influence is exercised by key managerial personnel
II) Key management person	
Mr. Jayant.Mhaiskar	Vice Chairman and Managing Director
Mr. Murzash Manekshana	Executive Director

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements
for the year ended 31 March 2016

(Currency : Indian rupees in lakhs)

29.9 Related party disclosures *(Continued)*

B. Disclosures of material transactions with related parties and balances at the year end

Particulars	Holding company / Associate Concern		Enterprises over which significant influence is exercised by key managerial personnel		Jointly controlled entities		Key managerial personnel		Total	Total
	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015
I) Transactions during the year										
Income from toll collection										
D.S Enterprise	-	-	-	13,176.78	-	-	-	-	-	13,176.78
Income from Operation & maintenance										
KVM Technology Solutions Private Limited	-	-	-	-	4.85	-	-	-	4.85	-
Expenses incurred on behalf of										
Ideal Toll & Infrastructure Private Limited	-	0.34	-	-	-	-	-	-	-	0.34
Jan Transport	-	-	-	6.00	-	-	-	-	-	6.00
KVM Technology Solutions Private Limited	-	-	-	5.77	206.10	-	-	-	206.10	5.77
Loans given										
MEP Toll Gates Private Limited	-	-	-	200.00	-	-	-	-	-	200.00
Ideal Hospitality Private Limited	-	-	-	2,000.00	-	-	-	-	-	2,000.00
Loan Repayments received during the year										
Ideal Toll & Infrastructure Private Limited	222.63	1,877.99	-	-	-	-	-	-	222.63	1,877.99
Ideal Hospitality Private Limited	-	-	-	2,000.00	-	-	-	-	-	2,000.00
Ideal Energy Projects Limited	-	-	-	29.28	-	-	-	-	-	29.28
Mobilisation Advances given										
Ideal Toll & Infrastructure Private Limited	203.20	990.49	-	-	-	-	-	-	203.20	990.49
Repayment of Mobilisation advances given										
A J Tolls Private Limited	-	-	-	500.00	-	-	-	-	-	500.00
Ideal Toll & Infrastructure Private Limited	433.73	10,850.99	-	-	-	-	-	-	433.73	10,850.99
Loans taken										
Ideal Toll & Infrastructure Private Limited	-	4,934.13	-	-	-	-	-	-	-	4,934.13
IEPL Power Trading Company Private Limited	-	-	-	800.00	-	-	-	-	-	800.00
Mr. Jayant Mhaiskar	-	-	-	-	-	-	-	100.00	-	100.00
Loans repaid during the year										
Ideal Toll & Infrastructure Private Limited	-	5,340.59	-	-	-	-	-	-	-	5,340.59
IEPL Power Trading Company Private Limited	-	-	-	800.00	-	-	-	-	-	800.00
MEP Hamirpur Bus Terminal Private Limited	-	-	0.61	-	-	-	-	-	0.61	-
MEP Una Bus Terminal Private Limited	-	-	1.92	-	-	-	-	-	1.92	-
Mr. Jayant Mhaiskar	-	-	-	-	-	-	74.18	-	74.18	-
Interest income										
Ideal Toll & Infrastructure Private Limited	1,274.58	1,100.23	-	-	-	-	-	-	1,274.58	1,100.23
MEP Toll Gates Private Limited	-	-	25.06	23.90	-	-	-	-	25.06	23.90
Receipt of Other Receivable										
Rideema Enterprises	-	-	-	31.53	-	-	-	-	-	31.53
Sale of Fixed Assets										
Rideema Enterprises	-	-	-	6.95	-	-	-	-	-	6.95
Road repairing charges paid										
Ideal Toll & Infrastructure Private Limited	-	2,374.40	-	-	-	-	-	-	-	2,374.40
Share alloted										
Ideal Toll & Infrastructure Private Limited	-	2,500.00	-	-	-	-	-	-	-	2,500.00
Mr. Jayant Mhaiskar	-	-	-	-	-	-	-	0.50	-	0.50
Mr. Anuya J.. Mhaiskar	-	-	-	-	-	-	-	0.50	-	0.50
Sale of Subsidiaries shares										
Ideal Toll & Infrastructure Private Limited	-	745.26	-	-	-	-	-	-	-	745.26
Share application money invested, returned back										
Ideal Hospitality Private Limited	-	-	-	2,090.00	-	-	-	-	-	2,090.00
Investment in Preference shares										
Ideal Hospitality Private Limited	-	-	-	2,090.00	-	-	-	-	-	2,090.00
Managerial remuneration										
Mr. Jayant Mhaiskar	-	-	-	-	-	-	120.00	150.75	120.00	150.75
Mr. Murzash Manekshana	-	-	-	-	-	-	240.00	240.00	240.00	240.00

(Currency : Indian rupees in lakhs)

29.9 Related party disclosures *(Continued)*

B. Disclosures of material transactions with related parties and balances at the year end

Particulars	Holding company / Associate Concern		Enterprises over which significant influence is exercised by key managerial personnel		Jointly controlled entities		Key managerial personnel		Total	Total
	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015
II) Balances at the end of the year										
Loans and advances receivable										
Ideal Toll & Infrastructure Private Limited	35,622.01	35,847.18	-	-	-	-	-	-	35,622.01	35,847.18
MEP Toll Gates Private Limited	-	-	200.00	200.00	-	-	-	-	200.00	200.00
MEP Hamirpur Bus Terminal Private Limited	-	-	-	0.61	-	-	-	-	-	0.61
MEP Una Bus Terminal Private Limited	-	-	-	1.92	-	-	-	-	-	1.92
Mobilisation advance given										
Ideal Toll & Infrastructure Private Limited	6,180.28	6,739.68	-	-	-	-	-	-	6,180.28	6,739.68
Unsecured loans/advances payable										
Mr. Jayant Mhaiskar	-	-	-	-	-	-	25.82	100.00	25.82	100.00
Investment in Preference shares										
Ideal Hospitality Private Limited	-	-	2,090.00	2,090.00	-	-	-	-	2,090.00	2,090.00
Other receivables										
VCR Toll Services Private Limited	-	-	3.84	11.74	-	-	-	-	3.84	11.74
KVM Technology Solutions Private Limited	-	-	-	5.77	202.50	-	-	-	202.50	5.77
Rideema Enterprsies	-	-	6.95	6.95	-	-	-	-	6.95	6.95
Capital advance given										
Ideal Toll & Infrastructure Private Limited	2,463.77	2,694.30	-	-	-	-	-	-	2,463.77	2,694.30
Trade receivables										
D.S Enterprise	-	-	-	2,551.53	-	-	-	-	-	2,551.53
Investment in shares										
A.J.Tolls Private Limited	-	-	3.30	3.30	-	-	-	-	3.30	3.30
Managerial remuneration										
Mr. Jayant Mhaiskar	-	-	-	-	-	-	5.55	5.73	5.55	5.73
Mr. Murzash Manekshana	-	-	-	-	-	-	12.94	10.69	12.94	10.69
Interest receivable on loan given										
Ideal Toll & Infrastructure Private Limited	-	32.45	-	-	-	-	-	-	-	32.45
IEPL Power Trading Company Private Limited	-	-	0.58	0.58	-	-	-	-	0.58	0.58
MEP Toll Gates Private Limited	-	-	44.08	21.51	-	-	-	-	44.08	21.51
A J Tolls Private Limited	-	-	0.17	0.17	-	-	-	-	0.17	0.17

(Currency : Indian rupees in lakhs)

29.10 Domestic transfer pricing

The Indian Finance Bill, 2012 had sought to bring in certain class of domestic transactions in the ambit of the transfer pricing regulations with effect of 1 April, 2012. The Company's/Group's management is of the opinion that its domestic transactions with associated enterprises are at arm's length so that appropriate legislation will not have an impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation. The Company/Group does not have any international transactions during the year.

29.11 Utilization of proceeds from Initial Public Offer

During the Financial Year 2015-16, funds were raised pursuant to an Initial Public Offering (IPO) For:

(i) Repayment / Pre-payment in full or part of certain loans availed by the Company's Subsidiary viz. MEP Infrastructure Private Limited (MIPL), and
(ii) General Corporate Purposes.

The amount was utilized fully as on 31 March 2016 as follows:

	Particulars	**Amounts**
I)	Issue Proceeds	32,400.00
	Less : Issue Expenses accounted upto 31 March 2016	(1,869.53)
	Net Proceeds from IPO	**30,530.47**
II)	**Particulars**	**Amounts**
	Amount utilized upto 31 March 2016 :	
	(a) Prepayment/repayment loans availed by MEP Infrastructure Private Limited	26,233.19
	(b) General Corporate Purposes	4,297.28
	Net Proceeds from IPO	**30,530.47**
III)	**Particulars**	**Amounts**
	Amount unutilized as on 31 March 2016 :	-
	(in case, if any)	-

29.12 Jointly Controlled Entities

The Group's share of total assets, liabilities, income, expenses, contingent liabilities and capital commitments in jointly controlled entities considered in these Consolidated Financial Statements are as under:

(a)	**Assets**	**31 March 2016**	31 March 2015
	Tangible Fixed Assets	54.16	-
	Long term loans and advances	171.86	-
	Cash and bank balances	89.05	0.33
	Short-term loans and advances	62.75	-
	Other current assets	1.87	-
(b)	**Liabilities**		
	Short-term borrowings	647.81	-
	Trade Payables	1.63	-
	Other current liabilities	170.08	0.06
(c)	**Income**		-
	Revenue from operations	10,160.74	-
	Other income	18.25	-
(d)	**Expenses**		
	Operating and maintenance expenses	10,171.96	-
	Employee benefit expenses	271.15	-
	Finance costs	20.38	-
	Depreciation and amortisation	60.30	-
	Other expenses	99.47	0.06
(e)	**Contingent liabilities**	-	-
(f)	**Capital commitments**	-	-

29.13 Additional information, as required under Schedule III to the Companies Act, 2013 of Parent Company, Subsidiaries and Jointly Controlled Entities

Name of the Company	**Net Assets**				**Share in Profit or Loss**			
	31 March 2016		31 March 2015		**31 March 2016**		31 March 2015	
	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount	As % of Consolidated Profit or loss	Amount	As % of Consolidated Profit or loss	Amount
MEP Infrastructure Developers Limited	579%	58,677.36	-114%	25,865.68	102%	2,673.50	-14%	1,615.12
Subsidiaries								
MEP Infrastructure Private Limited	-7%	(745.48)	104%	(23,560.62)	-130%	(3,412.86)	67%	(7,748.07)
Raima Ventures Private Limited	1%	65.20	3%	(637.96)	27%	703.16	7%	(859.84)
Rideema Toll Private Limited	-4%	(446.56)	2%	(514.06)	3%	67.50	6%	(723.11)
Baramati Tollways Private Limited (Through Rideema Toll Private Limited,)	25%	2,532.16	-3%	624.75	16%	432.92	6%	(638.17)
Rideema Toll Bridge Private Limited	11%	1,138.71	-3%	578.01	-17%	(439.30)	-2%	208.42
MEP Nagzari Toll Road Private Limited	-5%	(486.98)	2%	(396.83)	-3%	(90.14)	1%	(153.87)
MEP IRDP Solapur Toll Road Private Limited	0%	(14.04)	0%	(24.41)	0%	10.37	0%	10.68
MEP Hyderabad Bangalore Toll Road Private Limited	23%	2,344.19	-3%	771.26	3%	66.44	12%	(1,404.92)
Raima Toll Road Private Limited	38%	3,836.66	-8%	1,789.46	43%	1,130.72	-9%	1,018.69
MEP Chennai Bypass Toll Road Private Limited	-92%	(9,342.36)	40%	(9,106.69)	-13%	(351.67)	38%	(4,432.85)
MEP Highway Solutions Private Limited	20%	2,019.55	-6%	1,257.47	23%	598.08	-4%	410.96
MEP ROSL Toll Bridge Private Limited (Formerly known as MEP Projects Private Limited)	25%	2,570.31	-4%	987.66	60%	1,582.65	-5%	621.43
Raima Toll and Infrastructure Private Limited (Formerly known as Raima Manpower and Consultancy Services	16%	1,616.15	-5%	1,129.22	18%	486.95	-4%	429.26
MEP Roads & Bridges Private Limited	2%	186.96	0%	70.42	4%	116.54	-1%	69.42
Mhaiskar Toll Road Private Limited	0%	0.24	0%	0.69	0%	(0.45)	0%	(0.31)
MEP Infra Constructions Private Limited	0%	0.25	0%	0.69	0%	(0.44)	0%	(0.31)
MEP Toll & Infrastructure Private Limited	0%	0.25	0%	0.69	0%	(0.44)	0%	(0.31)
MEP Tormato Private Limited	8%	843.51	0%	(0.18)	-17%	(455.30)	0%	(1.18)
MEP Infraprojects Private Limited	0%	0.26	0%	0.68	0%	(0.44)	0%	(0.32)
Jointly Controlled Entities								
KVM Technology Solutions Private Limited	-1%	(59.74)	0%	(0.51)	-2%	(59.18)	0%	(0.84)
SMYR Consortium LLP	-4%	(380.09)	0%	-	-15%	(385.09)	0%	-
Total	636%	64,356.51	5%	(1,164.57)	102%	2,673.52	100%	(11,580.12)
Total elimination	-536%	(54,230.11)	95%	(21,479.90)	-2%	(40.86)	0%	46.81
	100%	10,126.39	100%	(22,644.47)	100%	2,632.66	100%	(11,533.31)

Notes to the Consolidated financial statements
for the year ended 31 March 2016

(Currency : Indian rupees in lakhs)

29.14 ***Expenditure in foreign currency (on accrual basis)***

Particulars	31 March 2016	31 March 2015
Travelling expenses	4.68	0.81
Business promotion and advertisement expenses	4.90	-
Legal consultancy and professional fees	7.85	-
	17.43	0.81

29.15 Prior period expense (net)

Prior period expense (net) in the Statement of Consolidated Profit and Loss for the year ended 31 March 2015 comprises charge towards maintenance cost paid to Authority of Rs. 50.88 lakhs, professional fees of Rs. 14.78 lakhs, ESIC of Rs.1.50 lakhs, membership fees of Rs. 2.97 lakhs, Interest cost of Rs 77.10 lakhs and prior period income of Rs. 40.89 lakhs towards reversal of share issue expenses charged in previous year.

29.16 Other matters

Information with regards to other matters specified in Schedule III to the Act, is either nil or not applicable to the Company/Group for the year.

29.17 Previous year comparatives

Previous year's figures have been reclassified / regrouped wherever necessary to conform to the current year's presentation details of the same are as follows:

Particulars	Note No	Amount as per previous year financials	Adjustments	Revised amount for previous year
Deferred tax liabilities (net)	14	-	6.98	6.98
Deferred tax assets (net)	14	9,419.97	6.98	9,426.95
Revenue from operations	22	198,426.03	2,451.72	200,877.75
Other income	23	5,703.62	(2,451.72)	3,251.90
Employee benefit expenses	25	7,155.90	455.45	7,611.35
Other expenses	28	3,556.35	(455.45)	3,100.90

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No: 046476
Mumbai
Date: 24 May 2016

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

Yatin R. Vyavaharkar
Partner
Membership No: 033915
Mumbai
Date: 24 May 2016

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

Jayant D. Mhaiskar
Managing Director
DIN : 00716351

Anuya J. Mhaiskar
Director
DIN : 00707650

M. Sankaranarayanan
Chief Financial Officer
Mumbai
Date: 24 May 2016

Shridhar Phadke
Company Secretary

Independent Auditors' Report

To the Members of
MEP Infrastructure Developers Limited

Report on the Consolidated Financial Statements

We have jointly audited the accompanying consolidated financial statements of MEP Infrastructure Developers Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31 March 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our joint audit. While conducting the joint 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 joint audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

Auditor's Responsibility ***(Continued)***

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by one of the Joint auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our joint audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its jointly controlled entity as at 31 March 2015 and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

(a) We draw attention to Note 28 of the consolidated financial statements relating to the payment of managerial remuneration of Rs. 120.00 lakhs in respect of one of the subsidiary companies which has been charged to the consolidated Statement of Profit and Loss of the current year in respect of which the said subsidiary has made an application to the Central Government which is pending its approval.

(b) We draw attention to Note 21 (a) of the consolidated financial statements where it is mentioned that one of the subsidiary companies has lodged claims of Rs.2,128.62 lakhs (previous year: Rs 774.35 lakhs) with the National Highways Authority of India (NHAI) on an estimated basis and has recognised claims receivable amounting to Rs. 2,902.97 lakhs for the financial year ended 31 March 2015 (previous year: Rs 774.35 lakhs) which is disclosed under "Other income" (note no. 23) and claims receivable under "Other Current Assets" (note no 21).

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

Parikh Joshi & Kothare
MUMBAI
Chartered Accountants

Independent Auditors' Report *(Continued)*

MEP Infrastructure Developers Limited

Emphasis of Matter *(Continued)*

(c) We draw attention to Note 29.3 of the consolidated financial statements dealing with non-recognition of contractual obligation to pay to National Highways Authority of India ('NHAI') a sum of Rs. 3,846.50 lakhs for the period from 1 November 2014 to 31 March 2015 in respect of one of the subsidiary companies. This is considering that during the financial year ended 31 March 2015, the said subsidiary has preferred claims with NHAI aggregating Rs.9,565.13 lakhs (previous year Rs.6,434.00 lakhs) on account of Toll Evasion and force majeure issues arising from non-compliance of the Concession Agreement by NHAI. The said subsidiary has not recognised the claims as income and/or reduced the liability in the financial statements pending final approval from NHAI. However, in the 3CGM Committee meeting held on 26 August 2014, NHAI has agreed that loss of revenue as assessed by Independent Engineer ("IE") shall be adjusted to the extent of outstanding concession fees payable to NHAI and the IE in his report dated 18 May 2015 has quantified the toll evasion at an amount which is higher than that submitted by the said subsidiary.

Our opinion is not qualified in respect of the above matters.

Other Matters

(a) The financial statements/financial information of seventeen subsidiaries, whose financial statements/financial information reflect total assets of Rs.109,491.76 lakhs as at 31 March 2015, total revenues of Rs.77,084.70 lakhs and net cash outflows amounting to Rs. 497.59 lakhs for the year ended on that date, as considered in the consolidated financial statements have been audited by one of the Joint auditors, Parikh Joshi & Kothare, Chartered Accountants and the joint opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and the report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of such Joint auditors.

(b) We did not audit the financial statements/financial information of a jointly controlled entity, whose financial statements/financial information reflect total assets of Rs. 4.29 lakhs as at 31 March 2015, total revenues of Rs. Nil and net cash flows amounting to Rs. 1 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this jointly controlled entity, and our report in terms of sub section (3) and (11) of Section 143 of the Act, insofar as it relates to the jointly controlled entity is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements/financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the Joint auditors and the financial statements/financial information certified by the management.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and its subsidiary companies, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the Joint auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group's companies is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

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

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entity– Refer Note 29.1 to the consolidated financial statements.

      ii. The Group and its jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts.

Independent Auditors' Report *(Continued)*

MEP Infrastructure Developers Limited

Report on Other Legal and Regulatory Requirements *(Continued)*

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and its jointly controlled entity.

For **B S R and Co**
Chartered Accountants
Firm's Registration No: 128510W

Vijay Mathur
Partner
Membership No: 046476

Mumbai
4 August 2015

For **Parikh Joshi & Kothare**
Chartered Accountants
Firm's Registration No: 107547W

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
4 August 2015

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

MEP Infrastructure Developers Limited

Annexure I to the Independent Auditors' Report - 31 March 2015

(Referred to in our report of even date)

As stated in Para 1 of 'Report on Other Legal and Regulatory Requirements' in our Auditors' Report of even date, the following statement is based on the comments in the auditors' reports on the standalone financial statements of the Holding Company and its subsidiary companies.

(i) (a) The Holding Company and its subsidiary companies have maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Holding Company and thirteen subsidiary companies have a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner largely over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Holding Company and its subsidiary companies and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the management during the year and no material discrepancies have been noticed on such verification. Six subsidiary companies do not have any fixed assets. Accordingly, paragraph 3(i) of the Order is not applicable to these subsidiaries.

(ii) In our opinion and according to the information and explanations given to us, the Group is engaged in toll collection along with other ancillary activities such as road repairs and maintenance of flyovers, roads and allied structures. Accordingly, it does not hold any physical inventories. Accordingly, paragraph 3(ii) of the Order is not applicable to the Group.

(iii) One of the subsidiary companies has granted an unsecured loan to one company covered in the register maintained under Section 189 of the Act.

a) In the case of the loan granted to the company listed in the register maintained under section 189 of the Act, the borrower has been regular in the payment of the interest as stipulated. There is no principal amount due for payment during the year.

b) There is no overdue amount of more than rupees one lakh in respect of the loan granted to the company listed in the register maintained under Section 189 of the Act.

(iv) In their opinion and according to the information and explanations obtained by the statutory auditors of the Holding Company, and its subsidiary companies, these companies have an adequate internal control system commensurate with the respective size of each company and the nature of its business with regard to purchase of fixed assets and with regard to sale of services and there is no major weakness in the internal control system during the course of the audit. The Group does not have any purchase of inventory and sale of goods during the year.

(v) The Holding Company and its subsidiary companies have not accepted any deposits in accordance with the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

(vi) The statutory auditors of the Holding company and its six subsidiary companies have broadly reviewed the books of account maintained by each company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, the statutory auditors have not made a detailed examination of the records. In respect of thirteen subsidiary companies, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act.

(vii) (a) According to the information and explanations given to and on the basis of the examination of the records of the Holding Company and its subsidiary companies by their respective statutory auditors, amounts deducted/accrued in their books of account to the extent applicable to these companies in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, value added tax and any other material statutory dues have been generally regularly deposited during the year by each of these companies with the appropriate authorities *except in case of two subsidiaries for dues of income-tax in which there have been significant delays in few instances.* According to the information and explanations given to the respective statutory auditors, the Group did not have dues on account of customs duty, excise duty and cess.

According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies, no undisputed dues in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, value added tax and any other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable except for the following income- tax dues:

Name of the Statute	**Nature of the Dues**	**Period to which the amount related**	**Amount (Rs. in lakhs)**	**Due date**	**Date of Payment**
Income Tax Act, 1961	Income Tax	AY 2015-16	80.34	Within 7 days from the end of the respective month	04 August 2015

(b) According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies, there are no dues of income-tax, sales tax, wealth tax, service tax, value added tax and any other statutory dues which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the Statute	**Nature of the Dues**	**Financial Year**	**Amount (Rs. in lakhs)**	**Forum where dispute is pending**
The Finance Act, 1994	Service Tax	2007-08 to 2011-12	8,171.18	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
Income Tax Act, 1961	Income Tax	2007-08	1.36	Income Tax Appellate Tribunal (ITAT)

B S R and Co
1st Floor,
Lodha Excelus,
Apollo Mills Compound,
N.M. Joshi Marg,
Mahalaxmi,
Mumbai-400 011.
India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED

(c) Accord to the information and explanations given to and on the basis of the examination by the respective statutory auditors of the records of the Holding Company and its subsidiary companies, there are no amounts which were required to be transferred to the investor education and protection fund.

(viii) The Holding company (on a standalone basis) and one of its subsidiary companies do not have any accumulated losses at the end of the financial year and have not incurred cash losses during the current financial year and in the immediately preceding financial year. *Two subsidiary companies have accumulated losses of more than fifty percent of net worth as at 31 March 2015 and have incurred cash losses during the current financial year and in the immediately preceding financial year.* As a period of five years has not elapsed at the balance sheet date since the date of incorporation, the provisions of paragraph 3 (viii) of the Order is not applicable to sixteen subsidiary companies. On a consolidated basis, the Group's accumulated losses are more than fifty percent of its consolidated net worth as at 31 March 2015, and the Group has not incurred cash losses during the current financial year and in the immediately preceding financial year.

(ix) In their opinion and according to the information and explanations given to the statutory auditors of the Holding Company and four subsidiary companies, such companies have not defaulted in repayment of their respective dues to their bankers or financial institutions *except for principal amount of loan due to financial institutions ranging from Rs. 0.42 lakhs to Rs. 13.81 lakhs which is overdue for a period ranging from 1 day to 32 days and for principal amount of loans due to banks ranging from Rs. 1.04 lakhs to Rs.3,749.34 lakhs which is overdue for a period ranging from 1 day to 60 days and for interest on loans due to banks and financial institutions ranging from Rs. 0.05 lakhs to Rs. 884.68 lakhs which is overdue for a period ranging from 1 day to 83 days. The amounts as mentioned above have been repaid on various dates during the year and also subsequent to the year end.* Six subsidiaries have not taken any loan from financial institutions or banks. Accordingly, paragraph 3(ix) of the Order is not applicable to the said six subsidiaries. The Holding company and its subsidiary companies did not have any outstanding dues to any debenture holders during the year.

(x) In our opinion and according to the information and explanations given to us, the terms and conditions on which the Holding Company has given guarantees for loans taken by others from banks or financial institutions are not, prima facie, prejudicial to the interest of the Holding Company. The subsidiary companies have not given any guarantees for loans taken by others from bank or financial institution and accordingly paragraph 3(x) of the Order is not applicable to the subsidiary companies.

(xi) In their opinion and according to the information and explanations given to the respective statutory auditors, six subsidiary companies have not raised any term loans during the year and the term loans taken by the Holding Company and thirteen subsidiary companies have been applied for the purpose for which the terms loans were obtained.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011, India
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

MEP Infrastructure Developers Limited

Annexure I to the Independent Auditors' Report - 31 March 2015 *(Continued)*

(xii) According to the information and explanations given to the respective statutory auditors of the Holding Company and its subsidiary companies, no instance of fraud on or by each company have been noticed or reported during the course of audit by the statutory auditors of the Holding Company and its subsidiary companies.

For **B S R and Co**
Chartered Accountants
Firm's Registration No: 128510W

Vijay Mathur
Partner
Membership No: 046476

Mumbai
4 August 2015

For **Parikh Joshi & Kothare**
Chartered Accountants
Firm's Registration No: 107547W

Yatin R. Vyavaharkar
Partner
Membership No: 033915

Mumbai
4 August 2015

MEP Infrastructure Developers Limited

(Formerly known as MEP Infrastructure Developers Private Limited)

Consolidated balance sheet

as at 31 March 2015

(Currency : Indian rupees in lakhs)

	Note	31 March 2015	31 March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	4	11,149.43	10,000.00
Reserves and surplus	5	(33,793.90)	(18,782.90)
		(22,644.47)	(8,782.90)
Minority interest		-	87.89
Non-current liabilities			
Long-term borrowings	6	295,676.18	286,626.29
Other long-term liabilities	7	10,440.00	15,660.00
Long-term provisions	8	227.38	145.77
		306,343.56	302,432.06
Current liabilities			
Short-term borrowings	9	20,716.37	13,867.73
Trade payables	10	26,627.55	14,635.86
Other current liabilities	11	32,469.97	31,153.77
Short-term provisions	8	48.23	34.10
		79,862.12	59,691.46
TOTAL		363,561.22	353,428.51
ASSETS			
Non-current assets			
Fixed assets	12		
- Goodwill on consolidation		2,652.04	6,967.47
- Tangible fixed assets		2,833.47	2,525.80
- Intangible fixed assets		210,107.85	226,876.07
- Capital work in progress		1,626.84	577.77
Non-current investments	13	2,161.21	62.67
Deferred tax assets (net)	14	9,419.97	7,559.96
Long-term loans and advances	15	89,342.97	75,189.82
Other non-current assets	16	3,872.62	2,194.55
		322,016.97	321,954.12
Current assets			
Current investments	17	1,063.30	0.11
Trade receivables	18	2,582.75	2,874.66
Cash and bank balances	19	13,481.78	16,226.16
Short-term loans and advances	20	18,116.83	9,152.53
Other current assets	21	6,299.59	3,220.94
		41,544.25	31,474.39
TOTAL		363,561.22	353,428.51
Significant accounting policies	3		
Notes to the consolidated financial statements	1-2, 4 - 29		

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached.

For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

Vijay Mathur
Partner
Membership No: 046476
Mumbai
Date : 04 August 2015

For Parikh Joshi & Kothare
Chartered Accountants
Firm's Registration No: 107547W

Yatin R. Vyavaharkar
Partner
Membership No: 033915
Mumbai
Date : 04 August 2015

For and on behalf of the Board of Directors of MEP Infrastructure Developers Limited

Jayant D. Mhaiskar
Managing Director
DIN : 00716351

Anuya J. Mhaiskar
Director
DIN : 00707650

M. Sankaranarayanan
Chief Financial Officer
Mumbai
Date : 04 August 2015

Shridhar Phadke
Company Secretary

MEP Infrastructure Developers Limited

(Formerly known as MEP Infrastructure Developers Private Limited)

Consolidated statement of profit and loss

for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

	Note	31 March 2015	31 March 2014
Income			
Revenue from operations	22	198,426.03	119,790.55
Other income	23	5,703.62	4,329.26
Total revenue		204,129.65	124,119.81
Expenses			
Operating and maintenance expenses	24	145,702.59	80,153.30
Employee benefits	25	7,155.90	4,985.88
Depreciation and amortisation	26	17,993.76	13,031.13
Finance costs	27	40,361.32	37,970.84
Other expenses	28	3,556.35	3,499.70
Total expenses		214,769.92	139,640.85
Loss before tax and prior period items		(10,640.27)	(15,521.04)
Prior period expenses	29.11	(106.34)	(98.75)
Loss before tax after prior period items		(10,746.61)	(15,619.79)
Tax expenses			
Current tax (including for earlier years Rs.214.47 lakhs (Previous year Rs. 19.21))		2,729.20	311.80
Mat credit entitlement		(82.49)	(29.73)
Deferred tax (credit)	14	(1,860.01)	(2,641.05)
Loss after tax, before minority interest		(11,533.31)	(13,260.81)
Add: (profit) / loss attributable to Minority Shareholders		-	(86.80)
Add: Pre-acquisition profit/loss adjustment		-	429.46
Profit after tax		(11,533.31)	(12,918.15)
Earnings per equity share			
- Basic	29.5	(10.51)	(12.92)
- Diluted		(10.51)	(12.92)
[(Nominal value per share Rs 10) (previous year : Rs 10)]			
Significant accounting policies	3		
Notes to the consolidated financial statements	1-2, 4 - 29		

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached.

For **B S R and Co**
Chartered Accountants
Firm's Registration No: 128510W

Vijay Mathur
Partner
Membership No: 046476
Mumbai
Date : 04 August 2015

For **Parikh Joshi & Kothare**
Chartered Accountants
Firm's Registration No: 107547W

Yatin R. Vyavaharkar
Partner
Membership No: 033915
Mumbai
Date : 04 August 2015

For and on behalf of the Board of Directors of MEP Infrastructure Developers Limited

Jayant D. Mhaiskar
Managing Director
DIN : 00716351

Anuya J. Mhaiskar
Director
DIN : 00707650

M. Sankaranarayanan
Chief Financial Officer
Mumbai
Date : 04 August 2015

Shridhar Phadke
Company Secretary

MEP Infrastructure Developers Limited

Consolidated cash flow statement
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

		31 March 2015	31 March 2014
Cash flows from operating activities			
Net (loss) / profit before tax		(10,746.61)	(15,619.79)
Adjustments:			
Depreciation and amortisation		17,993.76	13,031.13
Profit on sale of investment in subsidiary		(47.32)	-
Interest income		(3,039.07)	(2,477.08)
(Profit) /Loss on sale of fixed assets		(18.10)	28.59
Fixed Assets written off		-	1.86
Provision for wealth tax		2.61	2.80
Profit on sale of mutual fund investments		(0.08)	(0.16)
Finance cost		40,361.32	37,970.84
Dividend income		(63.87)	(1.03)
Provisions no longer required written back		(64.88)	(122.99)
Operating profit before working capital changes		44,377.76	32,814.17
Adjustments for movements in working capital:			
(Increase)/ Decrease in loans and advances		(17,860.95)	1,124.71
(Increase)/ Decrease in trade receivables		291.82	965.54
Increase/ (Decrease) in trade payables		11,991.67	12,464.94
Increase/ (Decrease) in provisions		95.75	63.05
Increase/ (Decrease) in other liabilities		(4,040.61)	1,424.73
Increase/ (Decrease) in other assets		(3,324.45)	(1,039.38)
Cash generated from operations		31,531.00	47,817.76
Income taxes refunded / (paid)		(3,977.78)	(860.91)
Net cash provided by operating activities	(A)	27,553.22	46,956.85
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,725.88)	(1,601.32)
Purchase of Intangible assets		-	(5,670.28)
Proceeds from sale of fixed assets		40.61	16.00
Repayment of loans and advances to Enterprises over which significant influence is exercised by key management personnel		1,655.36	-
Payment for purchase of current investments		(1,141.71)	(1,060.49)
Proceeds from sale / maturity of current investments		74.21	1,012.15
Sale of investment in Enterprises over which significant influence is exercised by key management personnel		160.95	300.00
Investment in fixed deposits		(11,179.99)	(11,515.01)
Redemption / maturity of fixed deposits		9,852.62	13,026.71
Investment in enterprises over which significant influence is exercised by key managerial personnel		(2,090.00)	(9.99)
Loans given		(6,526.45)	-
Dividend received		63.87	1.03
Interest received		3,095.27	718.51
Net cash used by investing activities	(B)	(8,721.14)	(4,782.69)
Cash flows from financing activities			
Proceeds from share application money received/paid		2,500.00	(12,443.58)
Proceeds from borrowings		32,909.98	38,380.69
Repayment of borrowings		(15,828.99)	(30,542.56)
Finance cost paid		(41,142.95)	(35,044.91)
Net cash used by financing activities	(C)	(21,561.96)	(39,650.36)
Net increase / (decrease) in cash and cash equivalents	(A+B+C)	(2,729.89)	2,523.80
Cash and cash equivalents at beginning of the year		7,641.33	5,117.53
Cash and cash equivalents at end of the year (refer note 1 below)		4,911.44	7,641.33

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

MEP Infrastructure Developers Private Limited

Consolidated cash flow statement *(Continued)*
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

		31 March 2015	31 March 2014
	Notes to the Cash Flow Statement		
1	**Components of cash and cash equivalents**		
	Cash on hand	**2,236.84**	4,468.90
	Balance with banks		
	- in current accounts	**2,638.73**	3,150.58
	- in fixed deposit	**35.87**	21.85
		4,911.44	7,641.33

2 The Cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 ('AS-3') on cash flow statements as specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached.

For **B S R and Co**
Chartered Accountants
Firm's Registration No: 128510W

Vijay Mathur
Partner
Membership No: 046476
Mumbai
Date : 04 August 2015

For **Parikh Joshi & Kothare**
Chartered Accountants
Firm's Registration No: 107547W

Yatin R. Vyavaharkar
Partner
Membership No: 033915
Mumbai
Date : 04 August 2015

For and on behalf of the Board of Directors of
MEP Infrastructure Developers Limited

Jayant D. Mhaiskar
Managing Director
DIN : 00716351

Anuya J. Mhaiskar
Director
DIN : 00707650

M. Sankaranarayanan
Chief Financial Officer
Mumbai
Date : 04 August 2015

Shridhar Phadke
Company Secretary

Notes to the consolidated financial statements
for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

1. Company overview

MEP Infrastructure Developers Limited ('MEPIDL' or 'the Company') (formerly known as MEP Infrastructure Developers Private Limited) was incorporated on 8 August 2002 under Companies Act, 1956. The Company and its subsidiaries and a Jointly controlled entity (collectively referred to as ' the Group')are into the business of collection of toll as per the contracts entered with various authorities along with other ancillary activities such as road repairs and maintenance of flyovers, roads and allied structures.

The Company has undertaken following contracts for toll collection:

Rajasthan State Road Development & Construction Corporation Limited, 'RSRDC' at Gazipur and Phulwada.

Maharashtra State Road Development Corporation Limited , 'MSRDC' at Katai & Gove

Road Infrastructure Development Company of Rajasthan Limited, 'RIDCOR' at:

a) Alwar - Bhiwadi
b) Lalsot - Kota
c) Alwar - Sikandara

National Highways Authority of India, 'NHAI' at:

Toll Name	
Athur	Gurau (Semra-Atikabad)
Bankapur	Paduna
Beliyad	Palsit
Brijghat	Panikoli
Chamari	Pudukottai
Chirle - Karanjade	Surajbari
Dankuni	Tendua
Dasna	Tundla
Dastan	

The Company is a subsidiary of Ideal Toll & Infrastructure Private Limited ('the Holding Company'), a company incorporated in India.

Subsequent Event
Subsequent to the year end, the Company was listed on the National Stock Exchange and Bombay Stock Exchange on 6 May 2015 pursuant to the Initial Public Offering.

2. Details of subsidiaries and Jointly controlled entity

The list of companies which are included in these consolidated financial statements are as under:

Name of the Company	Country of origin	% Holding 31 March, 2015	% Holding 31 March, 2014	Net Assets: As % of Consolidated net assets	Net Assets: Amount	Share in Profit or Loss: As % of Consolidated Profit or loss	Share in Profit or Loss: Amount
Parent Company							
MEP Infrastructure Developers Limited	India	-	-	114%	25,865.68	14.00%	1,615.12
Subsidiaries							
MEP Infrastructure Private Limited	India	99.99%	73.99%	-104%	(23,560.62)	-67.18%	(7,748.07)
Raima Ventures Private Limited	India	100.00%	99.99%	-3%	(637.96)	-7.46%	(859.84)
Rideema Toll Private Limited	India	100.00%	99.54%	-2%	(514.06)	-6.27%	(723.11)
Baramati Tollways Private Limited (Through Rideema Toll Private Limited, indirectly)	India	99.99%	98.00%	3%	624.75	-5.53%	(638.17)
Rideema Toll Bridge Private Limited	India	100.00%	99.99%	3%	578.01	1.81%	208.42
MEP Nagzari Toll Road Private Limited	India	100.00%	99.96%	-2%	(396.83)	-1.33%	(153.87)
MEP IRDP Solapur Toll Road Private Limited	India	100.00%	99.98%	0%	(24.41)	0.09%	10.68
MEP Hyderabad Bangalore Toll Road Private Limited	India	98.90%	51.00%	3%	771.26	-12.18%	(1,404.92)
MEP Hamirpur Bus Terminal Private Limited	India	-	99.98%	0%	-	0.00%	-
MEP Una Bus Terminal Private Limited	India	-	99.96%	0%	-	0.00%	-
Raima Toll Road Private Limited	India	100.00%	99.99%	8%	1,789.46	8.83%	1,018.69
MEP Chennai Bypass Toll Road Private Limited	India	100.00%	99.99%	-40%	(9,106.69)	-38.44%	(4,432.85)
MEP Highway Solutions Private Limited	India	100.00%	99.99%	6%	1,257.47	3.56%	410.96
MEP RGSL Toll Bridge Private Limited (Formerly known as MEP Projects Private Limited)	India	100.00%	99.99%	4%	987.66	5.39%	621.43
Raima Toll and Infrastructure Private Limited (Formerly known as Raima Manpower and Consultancy Services	India	100.00%	99.99%	5%	1,129.22	3.72%	429.26
MEP Roads & Bridges Private Limited	India	100.00%	-	0%	70.42	0.60%	69.42
Mhaiskar Toll Road Private Limited	India	100.00%	-	0%	0.69	0.00%	(0.31)
MEP Infra Constructions Private Limited	India	100.00%	-	0%	0.69	0.00%	(0.31)
MEP Infraprojects Private Limited	India	100.00%	-	0%	0.68	0.00%	(0.32)
MEP Toll & Infrastructure Private Limited	India	100.00%	-	0%	0.69	0.00%	(0.31)
MEP Tormato Private Limited	India	100.00%	99.99%	0%	(0.18)	-0.01%	(1.18)
Jointly Controlled Entity							
KVM Technology Solutions Private Limited	India	33.33%	-	0%	(0.51)	-0.01%	(0.84)
Total Elimination				-95%	(21,479.90)	0.41%	46.81
Total				-100%	(22,644.47)	-100%	(11,533.31)

Notes to the consolidated financial statements (Continued)
for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

3 Significant accounting policies

3.1 Basis of preparation of consolidated financial statements

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') including Accounting Standards specified under section 133 of the Companies Act, 2013(the Act) read with Rule 7 of the Companies (Accounts) Rules,2014. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lakhs.

3.2 Principles of consolidation

The consolidated financial statements have been prepared on the following basis:

a) The consolidated financial statements of the Company and its subsidiaries and jointly controlled entity are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and resultant unrealized profits or losses in accordance with the Accounting Standard - 21 ' Consolidated Financial Statements' and Accounting Standard -27 ' Financial Reporting of Interest in Joint ventures ' specified under section 133 of the Companies Act, 2013('the Act') read with Rule 7 of the Companies (Accounts) Rules,2014.

b) Investments in subsidiaries are eliminated and differences between the cost of investments over the net assets on the date of the investments in subsidiaries are recognised as goodwill or capital reserve, as the case may be.

c) The difference between the proceeds from disposal of investment in a subsidiary and the proportionate carrying amount of its assets less liabilities as of the date of disposal is recognised in the Consolidated Statement of Profit and Loss as the profit or loss on disposal of investments in subsidiaries.

d) Share of minority interest in the net profit is adjusted against the income to arrive at the net income attributable to shareholders of the parent Company. Minority interest's share of net assets is presented separately in the balance sheet.

e) If losses applicable to minority interest in a consolidated subsidiary exceed the minority interests in the subsidiary's equity, the excess and any further losses applicable to the minority interest are allocated against the majority's interest, except to the extent that the minority interest has a binding obligation and is able to, make good the losses. If the subsidiary subsequently reports profits, such profits are allocated to the majority's interest until the minority interest's share of losses previously absorbed by the majority's interest have been recovered.

f) Interest in Jointly controlled entity is reported using the proportionate consolidation method.

g) Any excess of the cost to the venturer of its interest in a jointly controlled entity over its share of net assets of the jointly controlled entity, at the date on which interest in the jointly controlled entity is acquired, is recognised as goodwill, and separately disclosed in the consolidated financial statements. When the cost to the venturer of its interest in a jointly controlled entity is less than its share of the net assets of the jointly controlled entity, at the date on which interest in the jointly controlled entity is acquired, the difference is treated as a capital reserve in the consolidated financial statements. Where the carrying amount of the venturer's interest in a jointly controlled entity is different from its cost, the carrying amount is considered for the purpose of above computations.

The losses pertaining to one or more investors in a jointly controlled entity may exceed their interests in the equity of the jointly controlled entity. Such excess, and any further losses applicable to such investors, are recognised by the venturers in the proportion of their shares in the venture, except to the extent that the investors have a binding obligation to, and are able to, make good the losses. If the jointly controlled entity subsequently reports profits, all such profits are allocated to venturers until the investors' share of losses previously absorbed by the venturers has been recovered.

h) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's stand alone financial statements.

i) Goodwill on consolidation is not amortised but is tested for impairment on each balance sheet date and impairment losses are recognised, wherever applicable.

j) The financial statements of the subsidiaries/Joint ventures used for the purpose of consolidation are drawn upto the same reporting date as that of the parent Company, i.e. 31 March 2015.

3.3. Current / non-current classification

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

(a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is expected to be realised within twelve months after the Balance Sheet date; or
(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the Balance Sheet date.

All other assets are classified as non-current.

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

(a) it is expected to be settled in the entity's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is due to be settled within twelve months after the Balance Sheet date; or
(d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date.

All other liabilities are classified as non-current.

Operating cycle

Based on the nature of activities and the time between the acquisition of assets and their realisation in cash and cash equivalents, the Company/Group has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

Notes to the consolidated financial statements (Continued)
for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

3 Significant accounting policies *(Continued)*

3.4. *Use of estimates*

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

3.5. *Revenue recognition*

Revenue is recognised to the extent it is probable that the future economic benefits will flow to the Group and the revenue can be reliably measured.

Toll collection

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

Interest and dividend income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividends are recorded as and when the same is received.

3.6. *Fixed assets*

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.

Expenditure incurred on acquisition / construction of tangible fixed assets which are not ready for their intended use as at the Balance Sheet date are disclosed under capital work -in -progress.

Intangible fixed assets

Toll collection rights

Intangible fixed assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost includes acquisition and other incidental costs related to acquiring the intangible asset.

3.7. *Depreciation and amortisation*

Depreciation

Depreciation on fixed assets upto 31 March 2014 was provided on written down value method as per the rates prescribed under Schedule XIV of the Companies Act, 1956. Pursuant to the notification of Schedule II of the Companies Act, 2013 by Ministry of Corporate Affairs effective 01 April 2014, the Management has reassessed the useful lives and accordingly depreciation on fixed assets for the year ended 31 March 2015 is provided on the written down value method, at useful lives prescribed in Schedule II of the Companies Act 2013. Depreciation on addition/deletion of fixed assets during the year is provided on pro-rata basis from / to the date of addition/deletion. Fixed assets costing up to Rs 5,000 individually are fully depreciated in the year of purchase. (Also, refer note 12)

Amortisation

Toll Collection Rights are amortised over the concession period, using revenue based amortisation as prescribed in Schedule II of the Act. Under this methodology, the carrying value of the rights is amortised in the proportion of actual toll revenue for the year to the projected revenue for the balance toll collection period, to reflect the pattern in which the assets economic benefits will be consumed. At each Balance Sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

3.8. *Impairment of assets*

The Group assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of assets value in use and net selling price. After impairment if any, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Previously recognised impairment loss is increased or reversed on changes in internal /external factors.

3.9. *Borrowing costs*

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. Capitalisation of borrowing cost is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are expensed in the period they occur. Borrowing costs consists of interest and other cost that an entity incurs in connection with the borrowing of funds.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARI
MUMBAI
CHARTERED ACCOUNTANTS

3 Significant accounting policies *(Continued)*

3.10. Taxation

Income tax and deferred tax

Income tax expense comprises current income tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year) and reversal of timing differences of earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however; where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum alternate tax (MAT)

Minimum alternate tax (MAT) credit is recognised as an asset only when, and only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period for which the MAT credit can be carried forward or set off against the normal tax liability. MAT credit entitlement is reviewed at each Balance Sheet date and written down to the extent there is no convincing evidence to the effect that the Company will pay normal income tax during the specified period.

3.11. Earnings per share

Basic earnings per share is calculated by dividing the net profit/loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.
For the purpose of calculating diluted earnings per share, the net profit/loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares outstanding during the period, except where the results would be anti-dilutive.

3.12. Employee benefits

i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service.

ii) Post employment benefits

Defined contribution plans
The Company's/Group's contribution to defined contribution plans such as Provident Fund, Employee State Insurance and Maharashtra Labour Welfare Fund are recognised in the Consolidated Statement of Profit and Loss on an accrual basis.

Defined benefit plans

Gratuity

The Company's/Group's gratuity benefit scheme is a defined benefit plan. The Company's/Group's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.
The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.
The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.
When the calculation results in a benefit to the Company's/Group's, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

3.13. Operating lease

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Consolidated Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

3.14. Investments

Long term investments are valued at cost, less provision for other than temporary diminution in value, if any. Current investments are valued at the lower of cost and fair value.

3.15. Provisions and contingencies

The Company/Group recognises a provision when there is present obligation as a result of a past (or obligating) event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for the contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.
Contingent assets are neither recognised, nor disclosed in the consolidated financial statements.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India
Chartered Accountants

PARIKH JOSHI & KOTHARI
MUMBAI
CHARTERED ACCOUNTANTS

Notes to the Consolidated financial statements (Continued)
as at 31 March 2015

(Currency: Indian rupees in lakhs)

4 Share capital

	31 March 2015	31 March 2014
Authorised		
200,000,000 (previous year : 150,000,000) equity shares of Rs 10 each	20,000.00	15,000.00
Issued, subscribed and fully paid-up		
111,494,250 (previous year : 100,000,000) equity shares of Rs 10 each fully paid	11,149.43	10,000.00
	11,149.43	10,000.00

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

	31 March 2015		31 March 2014	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding, beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Shares issued during the year	11,494,250	1,149.43	-	-
Shares outstanding, end of the year	111,494,250	11,149.43	100,000,000	10,000.00

(b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(c) Shares held by its holding company

	31 March 2015		31 March 2014	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs 10 each fully paid held by:				
Ideal Toll & Infrastructure Private Limited (Holding Company)	59,940,407	5,994.04	51,419,300	5,141.93
	59,940,407	5,994.04	51,419,300	5,141.93

(d) Particulars of shareholders holding more than 5% shares:

Name of shareholder	31 March 2015 No. of shares	%	31 March 2014 No. of shares	%
Equity shares of Rs 10 each, fully paid-up are held by :				
Ideal Toll & Infrastructure Private Limited (Holding Company)	59,940,407	53.76%	51,419,300	51.42%
Dattatray P. Mhaiskar jointly with Sudha Dattatray Mhaiskar	25,218,780	22.62%	25,218,780	25.22%
Jayant Dattatray Mhaiskar jointly with Anuya Jayant Mhaiskar (Directors)	11,227,920	10.07%	11,227,920	11.23%
Jayant Dattatray Mhaiskar (Vice Chairman and Managing Director)	11,003,300	9.87%	11,003,300	11.00%
	107,390,407	96.32%	98,869,300	98.87%

Pursuant to an Initial Public Offering in May 2015 (refer Note 1), the aggregate shareholding of the above mentioned shareholders has subsequently decreased to 66.06%.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements (Continued)
as at 31 March 2015

(Currency: Indian rupees in lakhs)

5 Reserves and surplus

	31 March 2015	31 March 2014
Deficit in the Statement of Profit and Loss		
At the commencement of the year	(18,784.82)	(10,772.75)
Pre-acquisition reserve and surplus on further acquisition (refer note 12)	(4,828.27)	4,906.08
Loss for the year	(11,533.31)	(12,918.15)
Net deficit in the Statement of Profit and Loss	(35,146.40)	(18,784.82)
Capital Reserve		
At the commencement of the year	1.92	-
During the year	-	1.92
Closing capital Reserve	1.92	1.92
Securities premium account		
At the commencement of the year	-	-
Received during the year	1,350.58	
Closing Securities premium account	1,350.58	-
Total Reserve and Surplus	(33,793.90)	(18,782.90)

6 Long-term borrowings

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Secured loans				
Term loans				
- from banks	77,445.56	63,108.56	12,906.82	11,108.30
- from financial institutions	217,628.34	222,978.88	4,046.84	5,007.27
Vehicle loans				
- from banks	300.72	385.82	143.73	127.35
- from financial institutions	17.14	3.00	11.17	18.73
Commercial Equipment Loans				
- from banks	284.42	150.03	83.06	35.53
	295,676.18	286,626.29	17,191.61	16,297.18

I) Term loans taken by MEP Infrastructure Developers Limited

i) Term loan includes loan from a bank amounting to Rs 3,749.34 lakhs (previous year : Rs 7,495.42 lakhs) which is secured by way of first charge of hypothecation / assignment / security interest on escrow account of the projects financed and also, by pledge of 500,000 equity shares and negative lien on 250,000 equity shares from IRB Infrastructure Developers Private Limited held by the promoters of the Company.

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited, the holding company and personal guarantee given by Mr. J.D. Mhaiskar & Mr. D.P. Mhaiskar, Directors of the Company. The term loan carries an interest rate calculated on base rate of the bank plus a spread of 300 basis points. The term loan is repayable in two equal installments of Rs 3,750.00 lakhs from 1 March 2014.

As at 31 March 2015 the Company has delayed the repayment of principal installment amounting to Rs. 3,749.34 lakhs which was overdue for a period of 31 days. The delayed amount has been paid subsequently.

ii) Term loan includes loan from a bank amounting to Rs 16,975.00 lakhs (previous year : Rs Nil) which is secured by a first and exclusive charge as under:

a) first exclusive charge on escrow account specifically maintained for maintenance income/receivables from the maintenance contract with MEP Infrastructure Private Limited, a subsidiary;
b) first mortgage and charge on all immovable and movable properties of the Company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties); except as specifically charged;
c) exclusive charge on specific account opened to route the proceeds from the loan and interest thereon extended to the Ideal Toll & Infrastructure Private Limited, the holding company by MEP Infrastructure Private Limited, subsidiary company;
d) pledge of 15 lakhs shares of IRB Infrastructure Developers Limited, held by the promoters of the company;
e) pledge of 49% of the issued, paid up and voting equity share capital of Ideal Toll & Infrastructure Private Limited, the holding company;
f) first charge over all bank accounts including but not limited to escrow account opened by MEP Highway Solutions Private Limited, subsidiary company;
g) corporate guarantees given by Ideal Toll & Infrastructure Private Limited, the holding Company; and personal guarantee given by Mr. J.D. Mhaiskar, Director of the Company

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai 400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

6 Long-term borrowings *(Continued)*

The term loan carries an interest rate calculated on base rate of the bank plus a spread of 275 basis points. The term loan is repayable in 127 unequal monthly installments commencing from 1 September 2014.

iii) Term loan includes a loan from a bank amounting to Rs 610.00 lakhs (previous period : Rs 850.00 lakhs) which is secured by way of assignment / hypothecation of receivables to be generated from the Toll collection account of the projects financed.
Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited, the holding company and personal guarantee given by Mr. J.D. Mhaiskar, Director of the Company. The term loan carries an interest rate of 13% p.a. The term loan repayable in 35 unequal monthly installments commencing from the date of first disbursement.

iv) **Vehicle loans**

a) Vehicle loans from banks of Rs 314.74 lakhs (previous year : Rs 383.71 lakhs) carry interest rates ranging from 9.89% - 12.38% p.a. The loans are repayable in 36 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

b) Vehicle loans from various financial institutions of Rs 28.31 lakhs (previous year : Rs 13.58 lakhs) carry interest rate ranging from 10.83% - 12.34% p.a. The loans are repayable in 35 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

II) **Term loan taken by subsidiaries**
MEP Infrastructure Private Limited

i) Term loans includes a loan amounting to Rs 211,652.31 lakhs (previous year : 211,951.54 lakhs) which is taken from a consortium consisting of a bank and various financial institutions.

The loan is secured by a first pari-passu charge as below :

a) on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company;

b) by way of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);

c) entire intangible assets of the borrower, including but not limited to, goodwill and uncalled capital, if any;

d) by way of hypothecation / mortgage / assignment, as the case may be of all the rights, title, interest, benefits, claims and demands; and

e) on the Trust and Retention Account, escrow account and debt service reserve.

Further, the term loan is also secured by additional collateral as below :

a) 51% pledge of share capital of the Company held by MEP Infrastructure Developers Limited, the holding company and Ideal Toll & Infrastructure Private Limited, the ultimate holding company; and

b) corporate guarantees jointly given by MEP Infrastructure Developers Limited, the holding company and Ideal Toll & Infrastructure Private Limited, the ultimate holding company;

The term loan from the consortium carries an interest rate calculated on the base rate of the respective financial institutions and bank and a spread ranging from 1.00% - 2.50% p.a.

Of the above ,the term loan from a bank and two financial institutions, are repayable in 312 structured fortnightly installments commencing from 1 October 2011 and a term loan from the other financial institution is repayable in 109 monthly installments commencing from 1 October 2012.

As at 31 March 2015 the Company has ;
1) Delayed in repayment of principal installment of the loan of Rs 9.59 lakhs from a financial institution for the period of 17 days and interest portion of the loan of Rs 3,808.74 lakhs over a range of 17 to 60 days. The delayed amounts have been paid subsequently.
2) Delayed in repayment of interest portion of the loan of Rs 926.67 lakhs from a bank for the period of 32 days . The delayed amounts have been paid subsequently.

ii) Apart from the above, the company has taken another term loan from one of the the consortium lenders of Rs 39,936.25 lakhs (previous year : Rs 39,974.58 lakhs) which are secured as mentioned above.
The loan carries an interest rate calculated on the base rate of the bank plus spread ranging from 1.90% - 2.50% p.a.
The loan is repayable in 324 structured fortnightly installments commencing from 1 October 2011.

As at 31 March 2015 the Company has delayed in repayment of principal installment of the loan of Rs 4.17 lakhs from a financial institution for the period of 17 days and interest portion of the loan of Rs 777.77 lakhs over a range of 17 to 45 days. The delayed amounts have been paid subsequently.

iii) Term loans also include a loan from a financial institution amounting to Rs 19,986.67 lakhs (previous year: Rs 19,992.50 lakhs) and the loan is secured by way of first charge on debt service reserve account (refer note 16) and by way of second charge as below:

a) on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company;

b) by way of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, Inventories and all other movable properties);

c) entire intangible assets of the borrower, including but not limited to, goodwill and uncalled capital, if any;

d) by way of hypothecation / mortgage / assignment, as the case may be of - all the rights, title, interest, benefits, claims and demands;

e) the Trust and Retention Account, escrow account; and

Further, the term loan is secured by corporate guarantees jointly given by MEP Infrastructure Developers Limited, the holding company and Ideal Toll & Infrastructure Private Limited, the ultimate holding company. The interest rate on the term loan is the existing prime lending rate less 2.75% p.a. The loan is repayable in 156 monthly instalments commencing from 1 July 2012.

As at 31 March 2015 the Company has delayed in interest repayment of Rs 199.89 lakhs for the period of 31 days. The delayed amounts have been paid subsequently.

B S R and Co
Lodha Excelus,
Apollo Mills Compound,
N.M. Joshi Marg,
Mahalaxmi,
Mumbai-400 011
India
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

6 Long-term borrowings (Continued)

iv) Vehicle loans

Vehicle loans of Rs 18.96 lakhs (previous year : Rs 7.42 lakhs) is from a bank carrying an interest rate ranging between 10.52% - 11.50% p.a. The loans are repayable in 35 - 47 monthly instalments along with interest, from the date of disbursement. The loans are secured by way of hypothecation of the respective vehicles.

Raima Ventures Private Limited

i) Term loans include loan from a financial institution amounting to Rs 1940.17 lakhs (previous period : Rs 6,036.29 lakhs) which is secured by way of first charge as below :

a) by way of hypothecation of entire movable properties of the company both present and future including movable plant and machinery and all other movable properties of what so ever nature;

b) on entire cash flows receivables on book debts and revenues of the company both present and future;

c) on entire intangible assets of the company including but not limited to goodwill and uncalled capital both present and future;

d) hypothecation / mortgage assignment as the case may be of all the rights title, interest, benefits, claims and demands what so ever of the company in the project document (including but not limited to insurance contracts);

e) on the Trust and Retention Account, Debt Service Reserve Account and any other reserves and other bank accounts of the company wherever maintained.

Further, the term loan is secured by corporate guarantee of the holding company, MEP Infrastructure Developers Limited. The term loan carries interest rate of 10.45% p.a. plus a spread of 1.90% p.a. The loan is repayable in 112 structured fortnightly installments as per repayment schedule commencing from 1 November 2010.

As at 31 March 2015 the Company has delayed in repayment of principal installment of the loan of Rs 592.17 lakhs from a financial institution over a range of 1 to 45 days. The delayed amounts have been paid subsequently.

ii) Vehicle Loan

Vehicle loan of Rs 12.87 lakhs (previous year : Rs 19.61 lakhs) is from a bank carrying an interest rate of 10.25% p.a. The loans is repayable in 36 monthly installments along with interest, from the date of loan. The loan is secured by way of hypothecation of the respective vehicle.

Baramati Tollways Private Limited

i) Term loans include loan from a bank amounting to Rs.5,242.63 lakhs (previous period : Rs 5,415.63 lakhs) which is secured by a first charge as below;

a) by assignment of all revenues and receivables of the company,

b) by mortgage of leasehold rights over the property at vacant plot admeasuring 8.4 hectors at Jalochi village, Baramati Town;

c) on escrow account of the company;

d) by all the movable and immovable assets including receivables, both present and future, of the company;

e) entire intangible assets of the company;

f) on assignment in favour of the bank of all the right title, interest, benefits, claims of the company

g) Further, the term loan is also secured as below :
30% pledge of share capital of the company held by Rideema Toll Private Limited, the holding Company and Corporate guarantees jointly given by Rideema Toll Private Limited, the holding Company and MEP Infrastructure Developers Limited, the ultimate holding Company. The above term loan carries an interest rate calculated on base rate of bank with spread of 2.50% p.a above base rate.

h) The loan is repayable in 39 unequal quarterly instalments commencing from September 2011.

MEP Nagzari Toll Road Private Limited

i) Term loan includes loan from a bank amounting to Rs 274.43 lakhs (previous year : Rs 514.82 lakhs) which is secured by way of first charge of hypothecation / assignment / security interest on the escrow account of the projects financed.

Further, the term loan is also secured by corporate guarantee from MEP Infrastructure Developers Limited, the holding company and personal guarantees given by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, Directors of the Company, and some of the relatives of the directors.

The term loan carries an interest rate of 13.5% p.a. The term loan is repayable in 33 monthly unequal installments commencing from the month of disbursement of term loan.

As at 31 March 2015 the Company has delayed in repayment of principal installment of Rs. 59.21 lakhs from bank over a range of 31 to 59 days. The delayed amounts have been paid subsequently.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

(Currency: Indian rupees in lakhs)

6 Long-term borrowings *(Continued)*

MEP Chennai Bypass Toll Road Private Limited

i) Term loan includes loan from a bank amounting to Rs. Nil (Previous period : Rs. 564.32 lakhs) which is secured as below:

a) a first pari-passu charge on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company

b) by way of first charge of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);

c) a first charge of entire intangible assets of the company, including but not limited to, goodwill and uncalled capital, if any, and on the escrow, DSRA and any other reserves and other bank accounts of the company

d) a first mortgage and charge on entire immovable properties of the company

e) Corporate guarantees given by MEP Infrastructure Developers Limited, the holding Company and personal Guarantee of Mr. Jayant Mhaiskar, Director of the Company

f) Pledge of 20% shareholding held by MEP Infrastructure Developers Limited, Holding Company

The loan carries an interest rate calculated on the base rate of the bank plus 2.50% p.a.

The loan is repayable in 28 structured monthly installments commencing with a moratorium period of 3 months from August 2013.

ii) **Vehicle Loan**

Vehicle loans of Rs 12.11 lakhs (previous year Rs.18.67 lakhs) are from bank and carries an interest rate ranging from 10.75% to 11.50% p.a. The loans are repayable in 35-36 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

Rideema Toll Bridge Private Limited

i) Term loan from bank of Rs 2,394.94 lakhs (previous year : Rs Nil) is secured by way of first charge as below:

a) by way of hypothecation on all the company's cash flows and receivables deposited in escrow account after meeting the priorities as provided in the escrow agreement & concession agreement

b) on entire movable assets of the company present and future

c) by way of assignment of toll collection right awarded by Hoogly river bridge commissioners at Vidyasagar Setu, Kolkata

Further the loan is secured by corporate guarantee of MEP Infrastructure Developers Limited, the Holding Company and personal guarantee of Mr. Jayant D. Mhaiskar, Director of the Company.

Term loan carries interest rate of base rate of bank plus a spread of 2.30% and is repayable in 4 years in equal monthly installment (2 months moratorium) from the month of disbursement.

As at 31 March 2015 the Company has delayed in repayment of principal installment on the loan from bank of Rs 333.33 lakhs for 1 day has been paid subsequently.

ii) Vehicle loan

Vehicle loans of Rs 4.84 lakhs (previous year : Rs 7.50 lakhs) carrying an interest rate 11.75% p.a. The loans are repayable in 36 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

MEP Hyderbad Bangalore Toll Road Private Limited

i) Term loan of Rs 2,625 lakhs (Previous Year :3,328.41 lakhs) from a bank is secured by as below :

a) a first charge on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company;

b) a first charge by way of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);

c) immovable residential house property situated in Pune, owned by promoters.

d) corporate guarantees given by MEP Infrastructure Developers Limited, the holding company and personal guarantees by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, directors of the company;

e) pledge of 30% shares of the promoters of the company.

f) The loan carries an interest rate calculated on the base rate of the bank plus a spread of 2.30% p.a.

g) The loan is repayable in 16 structured Quarterly installments commencing from 31st March 2014.

ii) **Commercial equipment loan**

The loan amount of Rs.249.95 Lakhs (Previous Year Rs.185.56 lakhs) are from bank is secured as below;

a) First charge in favour of the Bank by way of Hypothecation of respective commercial equipments of the company.

b) Personal Guarantee given by Mr. Jayant Mhaiskar, director of the company.

c) The loan carries an interest rate of 11.50% p.a

d) The loans are repayable in 59 monthly installments along with interest, from the date of disbursement.

e) The loan is also co-borrowed by the holding company.

iii) **Vehicle loans**

Vehicle loans of Rs 46.69 lakhs (previous year Rs.57.50 lakhs) are from bank and carries an interest rate ranging from 10.75% to 11.50% p.a.The loans are repayable in 35-36 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

B S R and Co
5th Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

6 Long-term borrowings *(Continued)*

MEP RGSL Toll Bridge Private Limited

i) Term loans from banks of Rs 3,490.82 lakhs (previous year : Rs 4,784.50) are secured by a first pari-passu charge as follow:

a) on escrow on the entire cash flow, toll collections, revenue/receivable (from the project) of the company;

b) by way of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);

c) by way of hypothecation / mortgage / assignment, as the case may be of all the rights, title, interest, benefits, claims and demands; and

d) Corporate guarantee of MEP Infrastructure Developers Limited, the holding company and personal guarantee given by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, directors of the Company and some of the relatives of the directors

The term loans carry an interest rate of 12.00% p.a.

Term loan of Rs 1,759.50 lakhs (previous year : Rs 2,484.50 lakhs) is repayable in 36 unequal monthly installments after the moratorium period of three months from the date of first drawdown.

Term loan of Rs 1,096.32 lakhs (previous year : Rs 1,500.00 lakhs) and Rs. 635.00 lakhs (previous year : Rs 800.00 lakhs) are repayable in 36 unequal monthly installments and 33 unequal monthly installments respectively from the date of first drawdown.

ii) **Vehicle loans**

Vehicle loan of Rs 5.49 lakhs (previous year : Nil) is from a financial institution and carry an interest rate of 10.88 p.a. .The loan is repayable in 36 monthly instalments along with interest, from the date of disbursement. The loan is secured by the way of hypothecation of the respective vehicle.

Raima Toll Road Private Limited

i) Term loan amount of Rs.774.00 Lakhs (Previous year Rs.1,295.00 lakhs) is secured as below :

a) a first pari-passu charge by way of hypothecation on entire movable assets of the company

b) a first charge by way of hypothecation, on the company's cash flows and receivables including revenues of the company.

c) a first charge on all intangibles including but not limited to goodwill and uncalled capital,

d) a first charge on the Escrow account, DSRA and any other reserves and other bank accounts of the Company.

e) a first pari-passu charge on the cash flows and receivables of MEP Chennai Bypass Toll Road Private Limited, (herein after referred as "MEPCBTRPL") (fellow subsidiary Company) including revenues of "MEPCBTRPL".

f) a second charge by way of hypothecation, on the cash flows and receivables of MEP RGSL Toll Bridge Private Limited, a fellow subsidiary company.

g) Pledge of 30% shares of the company held by MEP Infrastructure Developers Limited, the holding company.

h) Corporate guarantees given by MEP Infrastructure Developers Limited, the holding company and personal guarantee by Mr. Jayant D. Mhaiskar, director of the company.

The loan carry interest rate calculated on the base rate of the bank plus a spread of 2.75% p.a.

The loan is repayable in 28 unequal monthly installments after moratorium of 3 months commencing from December 2013.

ii) **Vehicle loans**

Vehicle loans of Rs 28.75 lakhs (previous year : 18.49) are from bank and carries an interest rate ranging from 9.75% to 11.75% p.a. .The loans are repayable in 35-36 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

Raima Toll and Infrastructure Private Limited

i) Term Loan of Rs 2,376 lakhs (previous year : Rs Nil) is from a bank and is secured by first charge as below;

a) by way of escrow account on entire cash flows, toll collection revenues from the project,

b) on the receivables from the project.

Further, the loan is secured by corporate guarantee given by MEP Infrastructure Developers Limited, the holding company and personal guarantee by Mr. Jayant Mhaiskar, director of the holding company.

The loan carries an interest rate calculated on the base rate of the bank plus a spread of 230 basis points.

The loan is repayable in 21 months unequal instalments and the funded portion of security deposit is repayable at the end of 30 months or receipt of security deposit from authority(i.e MSRDC) , whichever is earlier.

Rideema Toll Private Limited

i) **Vehicle loans**

Vehicle loans of ₹ Nil (previous year : ₹ 8.15 lakhs) are taken from financial institutions. The loan carry an interest rate of 9.25% - p.a. The loans are repayable in 59 monthly instalments along with interest, from the date of disbursement of loan. The loans are secured way of hypothecation of the respective vehicles.

MEP Highway Solutions Private Limited

i) **Commercial Equipment Loan**

Commercial equipment loans of Rs 117.53 lakhs (previous year : Nil) are from a financial institution and carry an interest rate ranging from 12.00% to 12.01% p.a. .The loans are repayable in 40 monthly instalments along with interest, from the date of disbursement. The loans are secured by the way of hypothecation of the respective equipments. The loans are also secured by corporate guarantee given by MEP Infrastructure Developers Limited, the Holding Company and personal Guarantee by Mr. Jayant Mhaiskar, director of the Company.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M Joshi Marg, Mahalaxmi, Mumbai-400 011. India
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

Notes to the Consolidated financial statements (Continued)
as at 31 March 2015

(Currency: Indian rupees in lakhs)

7 Other long-term liabilities

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Payable to authority	10,440.00	15,660.00	5,276.76	5,220.00
	10,440.00	15,660.00	5,276.76	5,220.00

8 Provisions

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Provision for employee benefits				
- Gratuity payable (refer note 29.6)	227.38	145.77	45.61	31.07
Provision for wealth tax	-	-	2.62	3.03
	227.38	145.77	48.23	34.10

9 Short-term borrowings

	31 March 2015	31 March 2014
Short term loan		
- from banks	8,896.13	3,439.92
Loans repayable on demand		
- from bank	11,715.49	9,994.60
Unsecured loans		
- from related parties	100.00	428.46
- loan from others	4.75	4.75
	20,716.37	13,867.73

I) Short -term loan taken by MEP Infrastructure Developers Limited

A) Term Loans from bank amounting to Rs Nil (previous period : 236.75 lakhs) is secured as below :

(a) Assignment / hypothecation of receivables to be generated from the Toll collection account of the projects financed;

(b) Personal Guarantee given by Mr. J.D. Mhaiskar & Mr. D.P. Mhaiskar, directors of the Company;

(c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);

The term loan carries an interest rate of 2.35% p.a. below the Bank's Prime Lending Rate subject to minimum of 13% p.a. The loan is repayable in 12 equal monthly installments from the date of first drawdown.

B) Term Loans from bank amounting to Rs 5,000 lakhs (previous year : Rs Nil) is secured as below :

(a) First and pari passu charge on entire fixed/current assets of the Company which are not exclusively charged to other Banks/ Lenders.

(b) First charge / hypothecation / assignment of security interest on Escrow account of the projects financed;

(c) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.

(d) Debt Service Reserve Account (DSRA) to be maintained for an amount equivalent to the next 3 months of interest servicing.

(e) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);

(f) Personal Guarantee given by Mr. J.D. Mhaiskar director of the Company;

The term loan carries an interest rate calculated on base rate of the bank plus a spread of 2.30% p.a. The loan is repayable in bullet upon release of Bid/Performance Security by the Authority of the project financed.

C) Term Loans from bank amounting to Rs 1,028.36 lakhs (previous period : Rs Nil lakhs) is secured as below :

(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;

(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.

(c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);

(d) Personal Guarantee given by Mr. J.D. Mhaiskar, Director of the Company;

The term loan carries an interest rate calculated on base rate of 13.% p.a. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

(Currency: Indian rupees in lakhs)

9 Short-term borrowings *(Continued)*

II) Short -term loan taken by subsidiaries

Rideema Toll Bridge Private Limited

Term loan from bank of Rs 2,000.00 lakhs (previous year : Rs 2,666.67) is secured by way of first charge as below:

a) by way of hypothecation on all the company's cash flows and receivables deposited in escrow account after meeting the priorities as provided in the escrow agreement & concession agreement;

b) on entire movable assets of the company, current & future;

c) by way of assignment of toll collection right awarded by Hoogly river bridge commissioners at Vidyasagar Setu, Kolkata;

Further the loan is secured by corporate guarantee of MEP Infrastructure Developers Limited, the Holding Company and personal guarantee of Mr. Jayant D. Mhaiskar, Director of the Company.

Term loan carries an interest rate calculated on base rate of the bank plus a spread of 2.30% p.a. and is repayable in 12 monthly equal installments after 2 months from the month of disbursement.

MEP IRDP Solapur Toll Road Private Limited

a) Term loan of Rs 473.27 lakhs (previous year : Rs 536.50 lakhs) from bank is secured by way of first charge of hypothecation / assignment / security interest on the escrow account of the projects financed.

Further, the term loan is also secured by corporate guarantee from MEP Infrastructure Developers Limited, the holding Company and personal guarantees given by Mr. Jayant Mhaiskar and Mrs. Anuya Mhaiskar, directors of the Company and personal guarantees of some relatives of the directors.

The term loan carries an interest rate of 13.5% p.a. The term loan is repayable in 12 equal monthly instalments

MEP Road & Bridges Private Limited

Term loans include loan from a banks amounting to Rs 394.50 lakhs (previous period : Rs Nil lakhs) which is secured by way of first charge as below:

(a) assignment / hypothecation of entire cash flows, toll collection, revenue and receivables from the Toll collection ;

(b) Personal Guarantee given by Mr. J.D. Mhaiskar, director of holding the Company;

(c) Corporate guarantee given by MEP Infrastructure Developers Limited, (Holding Company);

The term loan carries an interest rate of 13% p.a.

The loan is repayable in 11 monthly installments from the date of first drawdown.

III) Loans repayable on demand

MEP Infrastructure Developers Limited

A) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 4,998.27 lakhs (previous period : Rs. 5,000 lakhs) is secured as below:

a) First charge / hypothecation / assignment of security interest on Escrow account;

b) Personal Guarantee given by Mr. Jayant D. Mhaiskar and Mr. Dattatray P. Mhaiskar, directors of the Company;

c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, the holding company;

Loan carries an interest rate calculated on the base rate of the bank and a spread of 3% p.a.

B) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 6717.22 lakhs (previous period : Rs.4,994.60 lakhs) from a bank secured as below:

a) First charge / hypothecation / assignment of security interest on Escrow account;

b) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.

c) First charge on receivable of the projects financed.

d) Personal Guarantee given by Mr. Jayant D. Mhaiskar, director of the Company;

e) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, the holding company;

Loan carries an interest rate calculated on the base rate of the bank and a spread of 2.50% p.a.

IV) Unsecured loans

A) Interest free unsecured loan from Mr. Jayant Mhaiskar of Rs 100 lakhs (previous year : Rs 22.00 lakhs) which is repayable on demand.

B) Interest free unsecured loan from Ideal Toll and Infrastructure Private Limited of Rs Nil (previous year : Rs 406.46 lakhs) which is repayable on demand.

C) Interest free unsecured loan from Pratibha Industries Limited (shareholder of the company) of Rs 4.75 lakhs (previous period : Rs 4.75 lakhs) which is repayable on demand.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011 India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements (Continued)
as at 31 March 2015

(Currency: Indian rupees in lakhs)

10 Trade payables

	31 March 2015	31 March 2014
Trade payable towards goods purchased and services received		
- dues of micro enterprises and small enterprises	0.56	0.56
- other creditors	26,626.99	14,635.30
	26,627.55	14,635.86

11 Other current liabilities

	31 March 2015	31 March 2014
Current maturities of long-term borrowings (refer note 6)	17,191.61	16,297.18
Current maturities of long-term liabilities (refer note 7)	5,276.76	5,220.00
Interest accrued but not due on borrowings	1,136.11	1,109.91
Interest accrued and due on borrowings	5,897.26	6,675.96
Employee benefits expense payable	644.63	547.91
Statutory dues payable	1,191.78	409.23
Other liabilities	1,131.82	893.57
	32,469.97	31,153.77

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

Notes to the Consolidated financial statements (Continued)
as at 31 March 2015

(Currency: Indian rupees in lakhs)

12 Fixed assets

Particulars	Gross block				Depreciation/Amortisation				Net block
	As at 1 April 2014	Additions	Sale / Deletion	As at 31 March 2015	As at 1 April 2014	For the period	Adjustment or Deletions	As at 31 March 2015	As at 31 March 2015
Tangible fixed assets									
Leasehold Land #	26.75	-	-	26.75	0.58	0.29	-	0.87	25.88
Office premises@	464.50	-	-	464.50	46.54	35.51	-	82.05	382.45
Vehicles	1,427.36	143.48	33.06	1,537.79	549.92	436.60	26.14	960.38	577.41
Computer system	296.44	237.48	7.70	526.22	138.54	211.76	4.48	345.82	180.40
Toll equipments	1,034.24	991.25	14.37	2,011.12	224.26	406.83	2.70	628.39	1,382.72
Office equipments	112.63	181.66	7.89	286.40	20.40	75.59	3.55	92.44	193.96
Furnitures and fixtures	196.15	5.94	0.72	201.38	52.04	58.95	0.26	110.73	90.65
Total	**3,558.07**	**1,559.81**	**63.74**	**5,054.16**	**1,032.28**	**1,225.53**	**37.13**	**2,220.68**	**2,833.47**
Capital work in progress	577.77	1,166.07	117.00	1,626.84	-	-	-	-	1,626.84
Total	**577.77**	**1,166.07**	**117.00**	**1,626.84**	-	-	-	-	**1,626.84**
Intangible fixed assets									
Toll collection rights*	261,818.33	-	717.23	261,101.10	34,942.25	16,768.23	717.23	50,993.25	210,107.85
Goodwill on consolidation**	6,968.69	-	4,316.65	2,652.04	1.22	-	(1.22)	0.00	2,652.04
Total	**268,787.02**	-	**5,033.88**	**263,753.14**	**34,943.48**	**16,768.23**	**716.01**	**50,993.25**	**212,759.89**

During the year the Company/Group has adopted the useful lives as specified under Schedule II of the Companies Act, 2013. As a result of the said change, the depreciation charge for the year is higher by Rs.746.82 lakhs, with a corresponding decrease in the written down value of fixed assets and an increase in loss before tax for the year ended 31 March 2015.

#As per Lease Deed, lease hold land has been amortised by straight line method over the period of ninety three years from the date of lease deed 10 May 2012.

@ Office premise is under mortgage with a bank for a loan taken by Ideal Toll & Infrastructure Private Limited (Holding Company).

*Toll collection rights comprises of:
1) Construction of bridge on BOT basis along with the upfront payment of Rs. 7,272.49 lakhs made to MSRDC . The concession period for toll collection as per the concession agreement is nineteen years and four months.
2) Toll collection rights at Vidyasagar Setu bridge for a period of 5 years by Hoogly River Bridge Commissioners for Rs 26,743.21 lakhs payable in 5 equal installment on yearly upfront basis.
3) Upfront payment of Rs. 2,12,085.40 lakhs made to MSRDC and other direct expenses incurred to acquire the toll collection rights for Mumbai Entry Points. The concession period for toll collection is for a period of sixteen years.
4) Upfront payment of Rs. 15,000 lakhs made to 'RIDCOR' for Phalodi - Ramji ki Gol road corridor. The license period for toll collection as per the License Agreement is for a period of five years.

**Goodwill on consolidation has been derecognised pursuant to sale of subsidiaries / reassessment of previously recognised goodwill (also refer note 5).

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

Notes to the Consolidated financial statements (Continued)
as at 31 March 2015

(Currency: Indian rupees in lakhs)

12 Fixed assets

Particulars	Gross block				Depreciation/Amortisation				Net block
	As at 1 April 2013	Additions	Sale / Deletion	As at 31 March 2014	As at 1 April 2013	For the year	Adjustment/Provision for impairment	As at 31 March 2014	As at 31 March 2014
Tangible fixed assets									
Leasehold Land #	26.75	-	-	26.75	0.29	0.29	-	0.58	26.17
Office premises	464.50	-	-	464.50	24.53	22.00	-	46.54	417.97
Vehicles	739.71	785.76	98.11	1,427.36	411.69	191.75	(53.52)	549.92	877.44
Computer system	208.59	124.55	17.64	315.50	100.95	59.40	(7.95)	152.39	163.11
Toll equipments	750.90	332.10	59.10	1,023.90	112.26	106.45	(7.57)	211.14	812.76
Office equipments	80.26	29.63	5.98	103.91	12.36	10.32	(3.01)	19.67	84.24
Furnitures and fixtures	188.59	9.05	1.49	196.15	22.13	30.79	(0.88)	52.04	144.11
Total	**2,459.30**	**1,281.09**	**182.32**	**3,558.07**	**684.20**	**421.00**	**(72.93)**	**1,032.28**	**2,525.80**
Capital work in progress	117.00	460.77	-	577.77	-	-	-	-	577.77
Total	**117.00**	**460.77**	-	**577.77**	-	-	-	-	**577.77**
Intangible fixed assets									
Toll collection rights*	235,075.11	26,743.22	-	261,818.33	22,112.26	12,829.99	-	34,942.26	226,876.07
Goodwill on consolidation	221.05	6,747.64		6,968.69	221.05	0.62	(220.45)	1.22	6,967.47
Total	**235,296.16**	**33,490.86**	-	**268,787.02**	**22,333.32**	**12,830.61**	**(220.45)**	**34,943.48**	**233,843.54**

Intangible assets under development	
Balance as at 1 April 2013	267.31
Less: Assets capitalised during the year	267.31
Balance as at 31 March 2014	-

#As per Lease Deed, lease hold land has been amortised by straight line method over the period of 93 years from the date of lease deed 10 May 2012.

*Toll collection rights include upfront payment to MSRDC of Rs 2,12,085.40 lakhs for toll collection rights at five Mumbai entry points, Rs 7,272.49 lakhs for toll collection rights at Baramati city and Rs 717.23 lakhs for toll collection right at Nagzari city. The concession period for toll collection rights as per the Concession Agreement for Mumbai entry points is for a period of 16 years, for Baramati city is for a period of 19 years and 4 months and for Nagzari city is for a period of 156 weeks.
Toll collection rights include upfront payment of Rs 15,000.00 lakhs to RIDCOR. The period for toll collection as per the License Agreement is for a period of 5 years.
Toll collection rights also include toll collection rights at Vidyasagar Setu bridge for a period of 5 years by Hoogly River Bridge Commissioners for Rs 26,743.21 lakhs payable in 5 equal installment on yearly upfront basis, along with other direct expenses incurred to acquire toll collection rights.

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements (Continued)
as at 31 March 2015

(Currency: Indian rupees in lakhs)

13 Non-current investments

	31 March 2015	31 March 2014
(Valued at cost unless stated otherwise)		
A) Trade investments		
In preference shares of enterprises over which significant influence is exercised by key managerial personnel		
12% Non Cumulative Redeemable Preference Shares of Rs. 10 each		
2,09,00,000 (previous period : 2,09,00,000) Preference shares of Ideal Hospitality Private Limited of Rs 10 each.	2,090.00	-
In equity shares of enterprises over which significant influence is exercised by key managerial personnel		
Unquoted, fully paid up		
3,300 (previous year : 3,300) equity shares of A J Toll Private Limited of Rs 100 each.	3.30	3.30
B) Other investments		
Unquoted, fully paid up		
4,000 (previous year : 4,000) equity shares of Jankalyan Sahakari Bank Limited of Rs 10 each.	0.40	0.40
60,080 (previous year : 40,000) equity shares of The Kalyan Janata Sahakari Bank Limited of Rs 25 each.	15.02	10.00
9,980 (previous year : 9,980) equity shares of Thane Janata Sahakari Bank Limited of Rs 50 each.	4.99	4.99
11,040 (previous year: 11,040) equity shares of Dombivali Nagari Sahakari Bank Limited of Rs.50 each fully paid up	5.52	5.50
76,950 (previous year: 76,950) equity shares of Jankalyan Sahakari Bank Limited of Rs.50 each, fully paid up	38.48	38.48
14,030 (previous year: Nil) equity shares of The Ambernath Jai Hind Co Op Bank Limited of Rs 25 each.	3.51	-
	2,161.21	62.67

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

(Currency: Indian rupees in lakhs)

14 Deferred tax asset / (liability) (net)

	31 March 2015	31 March 2014
Deferred tax assets		
Carry forward business loss and unabsorbed depreciation	39,979.47	14,846.81
Provision for employee benefits	93.18	48.18
	40,072.65	14,895.00
Deferred tax liabilities		
Excess of depreciation / amortisation on fixed / intangible assets in income-tax law over depreciation / amortisation provided in accounts.	(30,652.68)	(7,335.03)
Deferred tax asset (net)	9,419.97	7,559.96

15 Long-term loans and advances

(Unsecured, considered good)

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
To related parties:				
Loans and advances				
-as mobilisation advance [refer note 15(a)(I)] *	-	16,173.04	6,739.68	1,417.63
-as loans [refer note 15(a)(I)&(II)]	35,847.18	38,000.00	-	-
Advance against acquisition of equity shares [refer note 15(b]	0.16	675.44	-	-
Capital advances [refer note 15(a)(I)]	2,694.30	2,750.00	-	-
Others [refer note 15(a)(I)]		-		31.53
To parties other than related parties:				
Advance income tax (net of Rs. 816.17 lakhs (previous year Rs. 286.51 lakhs) provision for tax)	2,856.47	1,525.41	-	-
Balance due from government authorities	19.51	-	-	-
Mobilisation advance	33,944.26	8,420.98	4,661.61	244.36
Capital advances	5,643.02	5,909.28	-	-
Loans to employees	17.68	0.30	26.38	46.11
Prepaid expenses	375.67	421.50	796.14	962.24
Other loans	6,526.45	-	-	-
Performance security	1,346.56	1,247.53	4,980.02	4,058.35
Other security deposits	71.71	66.34	1.93	2.36
	89,342.97	75,189.82	17,205.77	6,762.58

I	31 March 2015	31 March 2014	31 March 2015	31 March 2014
- Capital advance to Ideal Toll & Infrastructure Private Limited	2,694.30	2,750.00	-	-
- Loan to Ideal Toll & Infrastructure Private Limited	35,844.64	37,500.00	-	-
- Mobilisation advance to Ideal Toll & Infrastructure Private Limited	-	16,173.04	6,739.68	1,417.63
	38,538.94	56,423.04	6,739.68	1,417.63

*MEP Infrastructure Private Limited (subsidiary company) had given Mobilisation advance to Ideal Toll & Infrastructure Private Limited (Ultimate holding company) for purpose of maintenance contract over a period of concession agreement and pursuant to termination of the agreement, a part of the said advance has been repaid and the balance is repayable in the near future.

S R and Co 1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India. Chartered Accountants

PARIKH JOSHI & KOTHARE MUMBAI CHARTERED ACCOUNTANTS

Notes to the Consolidated financial statements (Continued)
as at 31 March 2015

(Currency: Indian rupees in lakhs)

15 Long-term loans and advances *(Continued)*

Enterprises over which significant influence exercised by key managerial personnel

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	**31 March 2015**	31 March 2014
- A J Tolls Private Limited	-	500.00	-	-
- MEP Hamirpur Bus Terminal Private Limited	0.61	-	-	-
- MEP Una Bus Terminal Private Limited	1.92	-	-	-
- Rideema Enterprises	-	-	-	31.53
	2.53	500.00	-	31.53

(b) **Advance against acquisition of the equity shares**

I **Enterprises over which significant influence exercised by key managerial personnel**

- MEP Toll Gates Private Limited	**0.16**	0.16
- Ideal Hospitality Private Limited	-	90.00
- Ideal Energy Projects Limited	-	0.48
	0.16	90.64
II Advance to Ideal Toll & Infrastructure Private Limited (Holding Company) for acquisition of its equity holding in MEP Infrastructure Private Limited (a Subsidiary Company)	-	584.80
	0.16	675.44

16 Other non-current assets

	31 March 2015	31 March 2014
Fixed deposits with banks with maturity period more than twelve months from reporting date (refer note 19)	**3,646.03**	2,142.22
Interest accrued on fixed deposits	**226.59**	52.33
	3,872.62	2,194.55

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARI
MUMBAI
CHARTERED ACCOUNTANTS

Notes to the Consolidated financial statements (Continued)
as at 31 March 2015

(Currency: Indian rupees in lakhs)

17 Current investments

	31 March 2015	31 March 2014
Non-trade investments		
(valued at lower of cost and fair value)		
Investments in quoted mutual funds		
1,04,757.526 units (previous period: 1,03,764.183 units) NAV Rs. 1000.54 face value Rs. 1000/- (previous year Rs 1000.54) each IDFC Cash Fund Plan	1,063.30	0.11
	1,063.30	0.11
The aggregate book value and market value of unquoted investments are as follows:		
Aggregate book and market value	1,063.30	0.11

18 Trade receivables

	31 March 2015	31 March 2014
(Unsecured, considered good)		
Receivable outstanding for a period exceeding six months from the date they became due for payment	8.60	621.35
Other receivables	2,574.15	2,253.31
	2,582.75	2,874.66

Trade receivables of Rs 2,551.53 lakhs (previous year : Rs 2,241.76 lakhs) are due from related parties as below.

Enterprises over which significant influence is exercised by key managerial personnel

- D S Enterprises	2,551.53	2,241.76
	2,551.53	2,241.76

19 Cash and bank balances

	31 March 2015	31 March 2014
Cash and cash equivalents		
Balances with banks		
- in current accounts *	2,638.73	3,150.58
- in fixed deposits *	35.87	21.85
Cash on hand	2,236.84	4,468.90
	4,911.44	7,641.33
Other bank balances **	8,570.34	8,584.83
	13,481.78	16,226.16

Details of bank balances/deposits	31 March 2015	31 March 2014
* Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	2,674.60	3,172.43
** Bank deposits due to mature within 12 months from the reporting date included under 'Other bank balances'	8,570.34	8,584.83
Bank deposits due to mature after 12 months from the reporting date included under 'Other non current assets' (refer note 16)	3,646.03	2,142.22
	14,890.97	13,899.47

Notes

a) Bank deposit include fixed deposits with various banks of Rs. 3745.76 lakhs (previous year : Rs 2,844.08 lakhs) which is provided as lien for the bank guarantee given to various authorities

b) Bank deposits include fixed deposits with various banks of Rs 7,991.18 lakhs (Previous Year : Rs 7,764.60 lakhs) which are provided as lien to the banks and financial institutions for maintenance of Debt Service Reserve Account.

c) Bank deposits include fixed deposits with various banks of Rs 140.29 lakhs (Previous Year : Rs 140.23 lakhs) which are placed as a security for loan taken from the bank.

d) Bank deposits of Rs. 375.00 lakhs (previous year : Rs 250.00 lakhs) with a bank is provided as cash margin for bank overdraft taken from the bank.

S R and Co Chartered Accountants 1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011 India.

Parikh Joshi & Kothare Chartered Accountants Mumbai

20 Short-term loans and advances

	31 March 2015	31 March 2014
(Unsecured, considered good)		
To related parties		
Current portion of long term loans and advances [refer note 15]	**6,739.68**	1,449.16
Advance consideration for acquisition of preference shares [refer note 20 (a)]	**-**	2,000.00
Other advances [refer note 20 (b)]	**200.00**	20.00
To parties other than related parties		
Current portion of long term loans and advances [refer note 15]	**10,466.09**	5,313.42
Advances recoverable in cash or kind	**202.39**	54.88
Others	**200.00**	-
Advances to suppliers	**86.23**	292.33
Advances for authority payment	**222.44**	18.21
Balance with government authorities	**-**	4.53
	18,116.83	9,152.53

Enterprises over which significant influence is exercised by key managerial personnel		
- Ideal Hospitality Private Limited	-	**2,000.00**
	-	2,000.00

(b) **Other advances**

Enterprises over which significant influence is exercised by key managerial personnel		
- Ideal Energy Projects Limited	-	**20.00**
- MEP Toll Gates Private Limited	**200.00**	-
	200.00	20.00

21 Other current assets

	31 March 2015	31 March 2014
Interest receivable		
- accrued on fixed deposits	**229.38**	373.79
- accrued on loans to related parties	**54.76**	1,128.80
- accrued on loans to others	**987.47**	14.82
Other assets - related party	**185.25**	-
Other receivables from other than related parties	**39.07**	-
Unamortised expenditure- share issue expenses	**600.97**	-
Claim receivable*	**4,202.69**	1,703.53
	6,299.59	3,220.94

***Claims receivable**

a) One of the Subsidiary has preferred claims of Rs.1,296.93 lakhs (previous year 774.35 lakhs) receivable from "NHAI" towards "Force Majeure" clause of concession Agreement between the Company and NHAI on account of temporary injunction by Madurai bench of Hon'ble High court of Madras on collection of toll on certain vehicles in one of the Toll plazas. During the year, the subsidiary has recognised a claim of Rs. 1,606.04 lakhs (previous year Nil) from NHAI on account of reimbursement of lesser user fees paid by TNSTC.

b) Toll collection contract between One of the Subsidiary and Maharashtra State Road Development Corporation ('MSRDC') was terminated on 30 June 2014. The Subsidiary is entitled for compensation of Rs. 370.54 lakhs (previous year Rs. Nil) as per the Concession Agreement / Bid document entered with MSRDC.

c) During the financial year 2013-14, One of the Subsidiary has recognised claims of Rs. 929.18 lakhs (previous year Rs. 929.18 lakhs) receivable from National Highways Authority of India (herein after referred as "NHAI") towards "Force Majeure" clause of the Concession Agreement between the Subsidiary and NHAI mainly on account of Seemandhra / Telangana Agitation.

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011, India.
Chartered Accountants

Parikh Joshi & Kothare
Mumbai
Chartered Accountants

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements (Continued)
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

22 Revenue from operations

	31 March 2015	31 March 2014
Toll collection	**198,293.48**	119,693.15
Manpower Supply	**132.55**	97.40
	198,426.03	119,790.55

23 Other income

	31 March 2015	31 March 2014
Interest income		
- from fixed deposits	**989.69**	1,027.70
- from loans to related parties	**1,124.13**	1,145.13
- from loans to parties other than related parties	**925.25**	304.25
Dividend income	**63.87**	1.03
Profit on sale of mutual funds	**0.08**	0.16
Claims from authority (refer note 21)	**2,451.72**	1,703.53
Provisions no longer required written back	**64.88**	122.99
Profit on sale of investment in subsidiary	**47.32**	-
Profit on sale of fixed assets	**18.10**	-
Miscellaneous income	**18.58**	24.47
	5,703.62	4,329.26

24 Operating and maintenance expenses

	31 March 2015	31 March 2014
Concession fees to authority	**136,003.92**	73,762.88
Road repairing and maintenance expenses	**6,055.60**	3,727.03
Toll - site attendant expenses	**1,327.91**	981.16
Site expenses	**100.00**	22.45
Maintenance cost paid to authority	**173.33**	116.89
Other site operational expenses	**1,451.46**	1,286.88
Supervision and independent engineer fees to authority	**590.37**	256.01
	145,702.59	80,153.30

25 Employee benefits

	31 March 2015	31 March 2014
Salaries, wages and bonus	**5,968.36**	4,193.51
Contribution to provident funds and other funds (refer note 29.6)	**377.36**	246.54
Gratuity expenses (refer note 29.6)	**103.01**	45.10
Staff welfare expenses	**707.17**	500.73
	7,155.90	4,985.88

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

Notes to the Consolidated financial statements (Continued)
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

26 Depreciation and amortisation

	31 March 2015	31 March 2014
Depreciation and amortisation	17,993.76	13,031.13
	17,993.76	13,031.13

27 Finance costs

	31 March 2015	31 March 2014
Interest expenses		
- from banks	12,344.49	9,574.99
- from financial institutions	27,111.36	27,458.58
Other borrowing cost		
- processing fees	452.85	601.61
- loan foreclosure charges	-	14.43
- bank guarantee and commission	452.62	320.78
- others	-	0.45
	40,361.32	37,970.84

28 Other expenses

	31 March 2015	31 March 2014
Rent, rates and taxes	455.15	71.14
Directors remuneration *	455.45	498.28
Insurance	62.58	54.33
Legal, consultancy and professional fees	596.25	615.04
Travelling expenses	889.89	683.46
Business promotion and advertisement expenses	111.64	46.92
Repairs and maintenance		
- to plant and machinery	71.51	50.27
- to computers	38.81	44.44
- others	185.61	73.75
Auditors remuneration	55.01	45.52
Loss on sale of Fixed Asset	-	28.59
Fixed assets written off	-	1.86
Provision for wealth tax	2.61	2.80
Miscellaneous expenses	631.84	1,283.30
	3,556.35	3,499.70

*With respect to payment of Director remuneration of Rs. 120.00 lakhs, One of the Subsidiary has approached the Central Government for obtaining their requisite approval for complying with the conditions as stipulated under the provisions of section 196, 197, 198 and other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Rules").

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

(Currency : Indian rupees in lakhs)

29.1 Contingent liabilities

Particulars	31 March 2015	31 March 2014
Interest on late payments to Maharashtra State Road Development Corporation Limited	-	68.04
Claims made against the Company not acknowledged as debtsby the Company	20,680.16	8,614.51
Guarantees given by banks	38,143.40	32,133.09
Corporate guarantees given	346,289.50	350,503.00
	405,113.06	391,318.64

29.2 Capital commitments

	31 March 2015	31 March 2014
Estimated amount of contracts remaining to be executed on capital account (net of advance)	1,602.23	322.57
	1,602.23	322.57

29.3 Claim

During the Financial year ended 31 March 2015, One of the Subsidiary has preferred claims with National Highways Authority of India (herein after referred as "NHAI") aggregating Rs.9565.13 lakhs (previous year Rs.6,434.00 lakhs) on account of Toll Evasion and force majeure issues arising from non-compliance of the Concession Agreement by NHAI. The Subsidiary has not recognised the claims as income and/or reduced the liability in the financial statements pending final approval from NHAI. However, in the 3CGM Committee meeting held on 26 August 2014, NHAI has agreed that loss of revenue as assessed by Independent Engineer shall be adjusted to the extent of outstanding concession fees payable to NHAI. The Independent Engineer ("IE") vide his report dated 18th May 2015, has quantified the toll evasion of Rs.22,723.70 lakhs. Pursuant to the report of IE, the Subsidiary has not recognised the liability towards net Concession fees payable to NHAI to the extent of Rs.3,846.50 lakhs for the period subsequent to the last audited accounts i.e. from 1 November 2014 to 31 March 2015.

29.4 Operating lease

The Company has entered into non - cancellable operating lease agreement for premises, which expires over the next two years. Rent expenses debited to the Statement of Profit and Loss is Rs 7.07 lakhs (previous year : 7.61 lakhs) in respect of non-cancellable lease agreement. Total rent expenses is Rs 11.66 lakhs (previous year : Rs. 10.14 lakhs) (refer note 28). The future minimum lease payments in respect of these properties as on 31 March 2015 is as below:

	31 March 2015	31 March 2014
Not later than one year	8.33	8.30
Later than one year but not later than five years	1.39	4.85
Later than five years	-	-
	9.71	13.15

29.5 Earnings per share

		31 March 2015	31 March 2014
Loss attributable to equity shareholders	A	(11,533.31)	(12,918.15)
Number of equity shares at the beginning of the year		100,000,000	100,000,000
Number of equity shares outstanding at the end of the year		111,494,250	100,000,000
Weighted average number of equity shares outstanding during the period	B	109,699,258	100,000,000
Basic earnings per equity share (Rs)	(A / B)	(10.51)	(12.92)
Diluted earnings per share			
Profit attributable to existing and potential shareholders	A	(11,533.31)	(12,918.15)
Weighted average number of equity shares outstanding during the period for the calculation of diluted earnings per share	B	109,699,258	100,000,000
Diluted earnings per share	(A / B)	(10.51)	(12.92)
Face value per equity share (Rs)		10	10

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

Notes to the Consolidated financial statements *(Continued)*
for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

29.6 Employee benefits

The disclosures as required as per the revised "Accounting Standard 15" are as under:

I) Defined contribution plan
i) Contribution to Provident Fund
ii) Contribution to Employees State Insurance Corporation
iii) Contribution to Maharashtra Labour Welfare Fund

The Company has recognised the following amounts in the Statement of Profit and Loss for the year*:

- Employers' Contribution to Provident Fund	**218.43**	132.76
- Employers' Contribution to Employees State Insurance Corporation	**156.66**	111.69
- Maharashtra Labour Welfare Fund	**2.28**	2.09
	377.36	246.54

*Included in Contribution to provident fund and other funds (refer note 25 - Employee benefits)

II) Defined benefit plan
Gratuity
The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The Company during the year provided Rs 103.01 lakhs (Previous year : Rs. 45.10 lakhs) towards gratuity in the Statement of Profit and Loss.

In accordance with the Accounting Standard 15 (Revised 2005), actuarial valuation has been done in respect of defined benefit plan of gratuity based on the following assumptions:

	31 March 2015	31 March 2014
Discount rate	**7.95%**	7.95%
Salary escalation rate	**6.00%**	5.00%
Expected average remaining lives of the employees	**8.68 to 5.24**	5.21 - 9.39

(i) Change in present value of obligation

	31 March 2015	31 March 2014
Present value of obligations as at 1 April 2014	**176.84**	139.30
Interest cost	**18.84**	12.50
Current service cost	**40.84**	31.82
Benefits paid	**(6.48)**	(7.40)
Liabilities assumed on acquisition / (settled on divestiture)	**10.87**	0.46
Actuarial losses	**32.07**	0.14
Present value of obligations as at 31 March 2015	**272.99**	176.84

(ii) Amount recognised in the Balance Sheet

	31 March 2015	31 March 2014
Present value of obligations as at 31 March 2015	**272.99**	176.84
Present value of plan assets as at 31 March 2015	**-**	-
Net liability recognised as on 31 March 2015	**272.99**	176.84

Classification into Current / Non-Current
The liability in respect of the plan comprises of the following non current and current portion:

	31 March 2015	31 March 2014
Current	**45.61**	31.07
Non current	**227.38**	145.77
	272.99	176.84

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

(Currency : Indian rupees in lakhs)

29.6 Employee benefits *(Continued)*

II) Defined benefit plan *(Continued)*

(iii) Expenses recognised in the Statement of Profit and Loss

	31 March 2015	31 March 2014
Current service cost	**40.84**	31.82
Interest cost on benefit obligation	**18.84**	12.50
Net actuarial (gain)/ loss recognised in the current year	**32.46**	0.14
Liabilities assumed on acquisition / (settled on divestiture)	**10.87**	0.46
Expense recognised in the Statement of Profit and Loss	**103.01**	44.92

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The Company's/Group's liability on account of gratuity is not funded and hence the disclosures relating to the planned assets are not applicable.

	31 March 2012	31 March 2013	31 March 2014	31 March 2015
Experience adjustments				
Defined benefit obligation	139.30	-	176.82	272.98
Plan assets			-	-
(Deficit)	(139.30)	-	(176.82)	(272.98)
Experience adjustment on plan liabilities	14.81	(2.62)	0.23	9.99
Experience adjustment on plan assets	-	-	-	-

The Company has provided the gratuity from the year ended 31 March 2011. Hence, disclosure based on actuarial valuation related experience adjustments are disclosed in 4years.

29.7 Segment reporting

The Company/Group is primarily engaged in the business of toll collection, which is the primary business segment of the Company/Group. The Company/Group does not have any separate geographical segment since all its operations are carried out in India. Hence, there are no separate reportable segments, as required by 'Accounting Standard 17' on "Segment reporting" as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.

MEP Infrastructure Developers Limited

(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements *(Continued)*
for the year ended 31 March 2015

(Currency: Indian rupees in lakhs)

29.8 Related party disclosures

In accordance with the requirements of Accounting Standard 18 'Related Party Transactions' as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, following are the names of related parties and their relationships, details of the transaction during the year and balances as at the year end :

A. Name of related parties and the nature of relationship

Name of related party	Nature of relationship
Ideal Toll & Infrastructure Private Limited	Holding Company
Maask Entertainment Private Limited	
IEPL Power Trading Company Private Limited	
Ideal Energy Projects Limited	
MEP Toll Gates Private Limited	
VCR Toll Services Private Limited	
Ideal Infoware Private Limited	
Global Safety Visions Private Limited	
MEP Infracon Private Limited	
Raima Roads & Bridges Private Limited	
MEP Roads & Bridges Private Limited	
Raima Infra Solutions Private Limited	
Mhaiskar Landmarks Private Limited	
Ideal Hospitality Private Limited	
Ideal Brands Private Limited	
IRB Infrastructure Developers Limited	
Ideal Road Builders Private Limited.	
Thane Ghodbunder Toll Road Private Limited	
IDAA Infrastructure Private Limited	
IRB Infrastructure Private Limited	
MMK Toll Road Private Limited	
NKT Road & Toll Private Limited	
Mhaiskar Infrastructure Private Limited.	
Altamount Capital Management Private Limited	Enterprises over which significant influence is exercised by key managerial personnel
Sagaon Energy Equipment Private Limited	
Chitpavan Foundation	
Anuya Enterprises	
A J Enterprises	
ANS Transformers & Reactors Private Limited	
Digvijay Infratech Private Limited	
JAAR Infrastructure LLP	
Virendra Builders	
Sudha Productions	
MEP Una Bus Terminal Private Limited	
MEP Hamirpur Bus Terminal Private Limited	
A J Tolls Private Limited	
JRR Udyog	
Rideema Enterprises.	
D.P. Mhaiskar Foundation	
Jan Transport	
D S Enterprises	
Mr. Jayant.Mhaiskar	Key Management Person
Mrs. Anuya Mhaiskar	Key Management Person
Mr. Dattatray Mhaiskar	Key Management Person
Mrs. Sudha Mhaiskar	Key Management Person
Mr. Murzash Manekshana	Key Management Person
Mr. Sameer A. Apte	Key Management Person
Mr. Uttam Pawar	Key Management Person
Mr. Subodh Garud	Key Management Person

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited

(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements *(Continued)*

for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

29.8 Related party disclosures *(Continued)*

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

Particulars	Holding company		Enterprises over which significant influence is exercised by key managerial personnel		Key managerial personnel		Total	Total
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Income from toll collection								
D.S Enterprise	-	-	-	4,115.06	-	-	-	4,115.06
Expenses incurred on behalf of								
A.J.Tolls Private Limited	-	-	-	0.15	-	-	-	0.15
Ideal Energy Projects Limited	-	-	-	6.91	-	-	-	6.91
VCR Toll Services Private Limited	-	-	-	14.99	-	-	-	14.99
Ideal Toll & Infrastructure Private Limited	0.34	-	-	-	-	-	0.34	-
Jan Transport	-	-	6.00	-	-	-	6.00	-
KVM Technology Solutions Private Limited	-	-	5.77	-	-	-	5.77	-
Loans given								
Ideal Toll & Infrastructure Private Limited	-	223.00	-	-	-	-	-	223.00
A.J.Tolls Private Limited	-	-	-	40.97	-	-	-	40.97
Ideal Infoware Private Limited	-	-	-	1,500.00	-	-	-	1,500.00
IEPL Power Trading Company Private Limited	-	-	-	-	-	-	-	-
MEP Toll Gates Private Limited	-	-	200.00	-	-	-	200.00	-
Jan Transport	-	-	-	250.94	-	-	-	250.94
Ideal Hospitality Private Limited	-	-	2,000.00	-	-	-	2,000.00	-
Repayments received during the year								
Ideal Toll & Infrastructure Private Limited	1,877.99	223.00	-	-	-	-	1,877.99	223.00
Jan Transport	-	-	-	3,893.81	-	-	-	3,893.81
Ideal Hospitality Private Limited	-	-	2,000.00	-	-	-	2,000.00	-
Ideal Energy Projects Limited	-	-	29.28	6.27	-	-	29.28	6.27
IEPL Power Trading Company Private Limited	-	-	-	72.79	-	-	-	72.79
A.J.Tolls Private Limited	-	-	-	524.91	-	-	-	524.91
Rideema Enterprises	-	-	-	4,785.99	-	-	-	4,785.99

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements *(Continued)*
for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

29.8 Related party disclosures *(Continued)*

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

Particulars	Holding company		Enterprises over which significant influence is exercised by key managerial personnel		Key managerial personnel		Total	Total
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Advances given								
A J Tolls Private Limited	-	-	-	500.00	-	-	-	500.00
Jan Transport	-	-	-	1,939.82	-	-		1,939.82
Ideal Toll & Infrastructure Private Limited	990.49	2,750.00	-	-	-	-	990.49	2,750.00
Repayment of advances given								
A J Tolls Private Limited	-	-	500.00	524.91	-	-	500.00	524.91
Jan Transport	-	-	-	3,893.81	-	-		3,893.81
Ideal Energy Projects Limited	-	-	-	6.27	-	-		6.27
IEPL Power Trading Company Private Limited	-	-	-	72.79	-	-		72.79
Rideema Enterprises	-	-	-	4,785.99	-	-		4,785.99
Ideal Toll & Infrastructure Private Limited	10,850.99	-	-	-	-	-	10,850.99	-
Loans taken								
Ideal Toll & Infrastructure Private Limited	4,934.13	16,514.99	-	-	-	-	4,934.13	16,514.99
Ideal Energy Projects Limited	-	-	-	49.28	-	-	-	49.28
IEPL Power Trading Company Private Limited	-	-	800.00	309.39	-	-	800.00	309.39
Mrs. Anuya Mhaiskar	-	-	-	-	-	5.69	-	5.69
Mr. Jayant Mhaiskar	-	-	-	-	100.00	6,265.90	100.00	6,265.90
Loans repaid during the year								
Ideal Toll & Infrastructure Private Limited	5,340.59	17,082.64	-	-	-	-	5,340.59	17,082.64
Ideal Energy Projects Limited	-	-	-	20.00	-	-	-	20.00
IEPL Power Trading Company Private Limited	-	-	800.00	309.39	-	-	800.00	309.39
Mrs. Anuya Mhaiskar	-	-	-	-	-	5.69	-	5.69
Mr. Jayant Mhaiskar	-	-	-	-	-	6,263.87	-	6,263.87
Receipt of trade receivables								
D.S Enterprise	-	-	(309.76)	1,873.30	-	-	(309.76)	1,873.30

MEP Infrastructure Developers Limited

(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements *(Continued)*

for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

29.8 Related party disclosures *(Continued)*

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

Particulars	Holding company		Enterprises over which significant influence is exercised by key managerial personnel		Key managerial personnel		Total	Total
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Investment in shares of Rideema Toll Private Limited from								
Ideal Toll & Infrastructure Private Limited	-	414.60	-	-	-	-	-	414.60
Mr. Jayant Mhaiskar	-	-	-	-	-	567.00	-	567.00
Investment in shares of MEP Highway Solutions Private Limited from								
Mrs. Anuya Mhaiskar	-	-	-	-	-	0.49	-	0.49
Mr. Jayant Mhaiskar	-	-	-	-	-	0.49	-	0.49
Investment in shares of MEP RGSL Toll Bridge Private Limited from		-		-		-	-	-
Mrs. Anuya Mhaiskar	-	-	-	-	-	0.49	-	0.49
Mr. Jayant Mhaiskar	-	-	-	-	-	0.49	-	0.49
Interest income								
Ideal Toll & Infrastructure Private Limited	1,100.23	1,130.84	-	-	-	-	1,100.23	1,130.84
A.J.Tolls Private Limited	-	-	-	3.63	-	-	-	3.63
Ideal Infoware Private Limited	-	-	-	145.07	-	-	-	145.07
IEPL Power Trading Company Private Limited	-	-	-	4.05	-	-	-	4.05
Anuya Enterprises	-	-	-	447.50	-	-	-	447.50
Rideema Enterprises	-	-	-	499.52	-	-	-	499.52
MEP Toll Gates Private Limited	-	-	23.90	-	-	-	23.90	-
Receipt of Interest Income								
Ideal Toll & Infrastructure Private Limited	1,906.19	98.31	-	-	-	-	1,906.19	98.31
Ideal Infoware Private Limited	-	-	-	145.07	-	-	-	145.07
Anuya Enterprises	-	-	-	108.29	-	-	-	108.29
Rideema Enterprises	-	-	-	119.28	-	-	-	119.28
Receipt of Other Receivable								
Rideema Enterprises	-	-	31.53	-	-	-	31.53	-

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements *(Continued)*
for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

29.8 Related party disclosures *(Continued)*

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

Particulars	Holding company		Enterprises over which significant influence is exercised by key managerial personnel		Key managerial personnel		Total	Total
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Sale of Fixed Assets								
Rideema Enterprises	-	-	6.95	-	-	-	6.95	-
Road repairing charges paid								
Ideal Toll & Infrastructure Private Limited	2,734.40	2,591.87	-	-	-	-	2,734.40	2,591.87
Ideal Hospitality Private Limited	-	-	-	-	-	-	-	-
Share application money Received								
Ideal Toll & Infrastructure Private Limited	2,500.00	-	-	-	-	-	2,500.00	-
Mr. Jayant Mhaiskar	-	-	-	-	0.50	-	0.50	-
Mr. Anuya J.. Mhaiskar	-	-	-	-	0.50	-	0.50	-
Share alloted								
Ideal Toll & Infrastructure Private Limited	2,500.00	-	-	-	-	-	2,500.00	-
Mr. Jayant Mhaiskar	-	-	-	-	0.50	-	0.50	-
Mr. Anuya J.. Mhaiskar	-	-	-	-	0.50	-	0.50	-
Sale of Subsidiaries shares								
Ideal Toll & Infrastructure Private Limited	745.26	-	-	-	-	-	745.26	-
Share application money invested, returned back								
Ideal Hospitality Private Limited	-	-	2,090.00	1,020.00	-	-	2,090.00	1,020.00
Investment in Preference shares								
Ideal Hospitality Private Limited	-	-	2,090.00	-	-	-	2,090.00	-
Investment in Equity shares								
KVM Technology Solutions Private Limited	-	-	0.33	-	-	-	0.33	-
Managerial remuneration								
Mr. Jayant Mhaiskar	-	-	-	-	150.75	240.00	150.75	240.00
Mr. Anuya J.. Mhaiskar	-	-	-	-	36.00	-	36.00	-
Mr. Murzash Manekshana	-	-	-	-	240.00	240.00	240.00	240.00
Mr. Sameer Apte	-	-	-	-	8.81	8.81	8.81	8.81
Mr.Subodh Garud	-	-	-	-	19.89	-	19.89	-

B S R and Co
1st Floor,
Lodha Excelus,
Apollo Mills Compound,
N.M. Joshi Marg,
Mahalaxmi,
Mumbai-400 011.
India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited
(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements *(Continued)*
for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

29.8 Related party disclosures *(Continued)*

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

Particulars	Holding company		Enterprises over which significant influence is exercised by key managerial personnel		Key managerial personnel		Total	Total
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
II) Balances at the end of the year								
Loans and advances receivable								
Ideal Toll & Infrastructure Private Limited	35,844.64	57,840.67	-	-	-	-	35,844.64	57,840.67
MEP Toll Gates Private Limited	-	-	200.00	-	-	-	200.00	-
A.J.Tolls Private Limited	-	-	-	500.00	-	-	-	500.00
Ideal Energy Projects Limited	-	-	-	20.00	-	-	-	20.00
VCR Toll Services Private Limited	-	-	-	14.80	-	-	-	14.80
MEP Hamirpur Bus Terminal Private Limited	-	-	0.61	-	-	-	0.61	-
MEP Una Bus Terminal Private Limited	-	-	1.92	-	-	-	1.92	-
Mobilisation advance given								
Ideal Toll & Infrastructure Private Limited	6,739.69	-	-	-	-	-	6,739.69	-
Unsecured loans/advances payable								
Ideal Toll & Infrastructure Private Limited	-	406.46	-	-	-	-	-	406.46
Mr. Jayant Mhaiskar	-	-	-	-	100.00	22.00	100.00	22.00
Trade payables								
Ideal Toll & Infrastructure Private Limited	-	1.90	-	-	-	-	-	1.90
Other Current Liabilities								
Ideal Energy Projects Limited	-	-	-	29.28	-	-	-	29.28
Investment in Preference shares								
Ideal Hospitality Private Limited	-	-	2,090.00	-	-	-	2,090.00	-
Other receivables								
VCR Toll Services Private Limited	-	-	11.74	-	-	-	11.74	-
KVM Technology Solutions Private Limited	-	-	5.77	-	-	-	5.77	-
Rideema Enterprsies	-	-	6.95	31.53	-	-	6.95	31.53

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

MEP Infrastructure Developers Limited

(Formerly known as MEP Infrastructure Developers Private Limited)

Notes to the Consolidated financial statements *(Continued)*

for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

29.8 Related party disclosures *(Continued)*

B. Disclosures of material transactions with related parties and balances as at 31 March 2015

Particulars	Holding company		Enterprises over which significant influence is exercised by key managerial personnel		Key managerial personnel		Total	Total
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Advance given								
Ideal Toll & Infrastructure Private Limited	2,694.30	-	-	-	-	-	2,694.30	-
Trade receivables								
D.S Enterprise	-	-	2,551.53	2,241.76	-	-	2,551.53	2,241.76
Investment in shares								
KVM Technology Solutions Private Limited	-	-	0.33	-	-	-	0.33	-
A.J.Tolls Private Limited	-	-	3.30	3.30	-	-	3.30	3.30
Advance against acquisition of equity/preference shares								
Ideal Energy Projects Limited	-	-	-	0.48	-	-	-	0.48
Ideal Toll & Infrastructure Private Limited	-	584.80	-	-	-	-	-	584.80
MEP Toll Gates Private Limited	-	-	-	0.16	-	-	-	0.16
Managerial remuneration								
Mr. Jayant Mhaiskar	-	-	-	-	5.73	66.81	5.73	66.81
Mr. Anuya J.. Mhaiskar	-	-	-	-	-	-	-	-
Mr. Murzash Manekshana	-	-	-	-	10.69	10.73	10.69	10.73
Mr. Sameer Apte	-	-	-	-	0.70	0.57	0.70	0.57
Mr. Subodh Garud	-	-	-	-	1.77	-	1.77	-
Interest receivable on loan given								
Ideal Toll & Infrastructure Private Limited	32.45	948.43	-	-	-	-	32.45	948.43
IEPL Power Trading Company Private Limited	-	-	0.58	0.58	-	-	0.58	0.58
MEP Toll Gates Private Limited	-	-	21.51	-	-	-	21.51	-
A J Tolls Private Limited	-	-	0.17	0.17	-	-	0.17	0.17

B S R and Co
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011, India.
Chartered Accountants

PARIKH JOSHI & KOTHARE
MUMBAI
CHARTERED ACCOUNTANTS

Notes to the Consolidated financial statements *(Continued)*

for the year ended 31 March 2015

(Currency : Indian rupees in lakhs)

29.9 Domestic transfer pricing

The Indian Finance Bill, 2012 had sought to bring in certain class of domestic transactions in the ambit of the transfer pricing regulations with effect of 1 April, 2012. The Company's/Group's management is of the opinion that its domestic transactions with associated enterprises are at arm's length so that appropriate legislation will not have an impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation. The Company/Group does not have any international transactions during the year.

29.10 *Expenditure in foreign currency (on accrual basis)*

Particulars	31 March 2015	31 March 2014
Travelling expenses	0.81	
	0.81	-

29.11 Prior period expense (net)

Prior period expense (net) in the Statement of Profit and Loss is a net result of prior period charge towards maintenance cost paid to Authority of Rs. 50.88 lakhs, professional fees of Rs. 14.78 lakhs, ESIC of Rs.1.50 lakhs, membership fees of Rs. 2.97 lakhs, Finance cost of Rs. 77.10 lakhs and prior period income of Rs. 40.89 lakhs towards reversal of share issue expenses charged in previous year.

Prior period expense (net) in the Statement of Profit and Loss for the year ended 31 March 2014 is a net result of prior period charge towards concession fees paid to Authority Rs 89.39 lakhs, ESIC of Rs 1.87 lakhs and Toll Collection of Rs 7.50 lakhs.

29.12 Other matters

Information with regards to other matters specified in Schedule III to the Act, is either nil or not applicable to the Company/Group for the year.

29.13 Previous year comparatives

Previous year's figures have been reclassified wherever necessary to conform to the current year's presentation

Particulars	Note No.	Amount as per Previous year financials	Adjustments	Revised amount for Previous year
Short-term loans and advances	20	9,167.35	14.82	9,152.53
Other current assets	21	3,206.12	(14.82)	3,220.94

As per our report of even date attached.

For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

Vijay Mathur
Partner
Membership No: 046476
Mumbai
Date : 04 August 2015

For **Parikh Joshi & Kothare**
Chartered Accountants
Firm's Registration No: 107547W

Yatin R. Vyavaharkar
Partner
Membership No: 033915
Mumbai
Date : 04 August 2015

For and on behalf of the Board of Directors of MEP Infrastructure Developers Limited

Jayant D. Mhaiskar
Managing Director
DIN : 00716351

Anuya J. Mhaiskar
Director
DIN : 00707650

M. Sankaranarayanan
Chief Financial Officer
Mumbai
Date : 04 August 2015

Shridhar Phadke
Company Secretary

DECLARATION

Our Company certifies that all relevant provisions of Chapter VIII read with Schedule XVIII of the SEBI Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the same and that all approvals and permissions required to carry on the business have been obtained, are currently valid and have been complied with. Further, all the relevant provisions of the Securities and Exchange Board of India Act, 1992, as amended (including all rules, regulations and guidelines issued thereunder), have been complied with. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

Signed by:

Jayant D. Mhaiskar
Chairman & Managing Director

Date: March 22, 2018

Place: Mumbai

DECLARATION

We, the Directors of the Company, certify that:

(i) the Company has complied with the provisions of the Companies Act 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act 2013 and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government; and

(iii) the monies received under the Issue shall be used only for the purposes and objects indicated in the Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

Signed by:

____

Jayant D. Mhaiskar
Chairman & Managing Director

I am authorized by the QIP committee, a committee of the Board of Directors of the Company, vide resolution dated March 22, 2018 to sign this form and declare that all the requirements of Companies Act 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed:

____

Jayant D. Mhaiskar
Chairman & Managing Director

Date: March 22, 2018

Place: Mumbai

MEP INFRASTRUCTURE DEVELOPERS LIMITED

Registered and Corporate Office
A 412, Boomerang, Chandivali Farm Road
Near Chandivali Studio, Andheri (East)
Mumbai 400 072
Website: **www**.mepinfra.com
CIN: L45200MH2002PLC136779

Contact Person:
Harshad Pusalkar, Company Secretary

Address of Compliance Officer:
A 412, Boomerang, Chandivali Farm Road
Near Chandivali Studio, Andheri (East)
Mumbai 400 072
Tel: (91 22) 6120 4800
Fax: (91 22) 6120 4804
Email: cs@mepinfra.com

BOOK RUNNING LEAD MANAGERS

ITI Capital Limited#
(formerly known as Inga Capital Limited)
Naman Midtown
21st Floor, A Wing
Senapati Bapat Marg
Elphinstone (West)
Mumbai 400 013
#The name of the company has been changed with effect from February 16, 2018

First Global Finance Private Limited
Nirmal, 6th Floor,
Nariman Point, Backbay Reclamation,
Mumbai-400 021

STATUTORY AUDITORS OF OUR COMPANY

M/s. G. D. Apte & Co.
Chartered Accountants
GDA House, Plot No. 85
Bhusari Colony (Right)
Paud Road, Kothrud
Pune 411038

LEGAL ADVISERS TO THE ISSUE
As to Indian law

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013

As to US law

Squire Patton Boggs Singapore LLP
10 Collyer Quay
#03-01/03 Ocean Financial Centre
Singapore 049 315