Contents

ASHOKA HIGHWAYS (BHANDARA) LIMITED

ANNUAL REPORT
2016-17

BOARD OF DIRECTORS

Ashish Ashok Kataria	Director
Paresh Chatursinha Mehta	Director
Madhukar Vaman Patil	Director
Milind Mukund Joshi	Nominee Director
Sachin Satish Johri	Nominee Director
Sunanda Vishnu Dandekar	Independent Director
Rajendra Lalchand Singhvi	Independent Director

AUDITORS

M/s Natvarlal Vepari Co., Chartered Accountants, Mumbai – Statutory Auditors

M/s SSK & Co. Chartered Accountants, Nashik – Internal Auditor

REGISTERED OFFICE

S. No. 113/2, 3rd Floor, Ashoka Business Enclave, Wadala Road, Nashik - 422 009

BANKERS

ICICI Bank Limited

India Infradebt Limited

ASHOKA HIGHWAYS (BHANDARA) LIMITED
NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Tenth (10th) Annual General Meeting of Ashoka Highways (Bhandara) Limited will be held on Friday, September 29, 2017 at 1:00 p.m. at the registered office of the Company at "S. No. 113/2, 3rd Floor, Ashoka Business Enclave, Wadala Road, Nashik - 422 009 to transact the following businesses –

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements as at March 31, 2017, along with the reports of the Board of Directors and Auditors thereon;

2. To appoint a Director in place of Mr. Paresh C. Mehta (DIN: 03474498), who retires by rotation and being eligible seeks re-appointment and to pass the following resolution as an Ordinary Resolution,

   "RESOLVED THAT Mr. Paresh C. Mehta (DIN: 03474498), who retires by rotation and being eligible, offers himself for re-appointment be and is hereby re-appointed as a Director, liable to retire by rotation.

3. To ratify the appointment of Statutory auditors for the financial year 2017-18 and to fix their remuneration and in this regard to consider and to pass the following Resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of the Audit Committee and the Board of Directors and pursuant to the resolution passed by the Members at the Annual General Meeting held on September 11, 2014 approving the appointment of M/s Natvarlal Vepari & Co., Chartered Accountants, Mumbai having ICAI Firm Registration No. 106971W, as the statutory auditors of the Company upto the conclusion of the AGM for the financial year 2017-18 be and is hereby ratified as Statutory Auditors of the Company for the financial year 2017-18 at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

4. To keep Registers, Returns at place other than Registered Office of the Company

   "RESOLVED THAT Pursuant to section 94 and other provisions of the Companies Act, 2013, the consent of the shareholders of the Company be and is hereby accorded to keep the Registers maintained under section 88 and copies of the Annual Return filed under section 92 of the Companies Act, 2013 at "Ashoka House", Ashoka Marg, Nasik – 422 011, being a place other than the Registered Office of the Company**"**.

For and on behalf of the Board of Directors

Sd/-	**Sd/-**
(Ashish A. Kataria)	**(Paresh C. Mehta)**
Director	**Director**
DIN : 00580763	**DIN – 03474498**

Place: Mumbai
Date: 24.05.2017

NOTES:

1. Members entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote, on behalf of himself/herself and the proxy need not be member of the company.

2. Proxy form duly stamped and executed in order to be effective must reach the registered office of the company not less than 48 hours before the time of commencement of the annual general meeting.

3. Members/proxies should fill the attendance slip for attending the meeting.

4. An explanatory statement pursuant to section 102 of the Companies Act, 2013 is annexed and forms part of this notice.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF COMPANIES ACT, 2013

ITEM NO. 4

The Company's statutory Registers and other books of Accounts and relevant records specifically mentioned under sections 88 & 92 of the Companies Act, 2013 are proposed to be kept at a place other than its Registered Office for administrative convenience.

In case the place of keeping registers and returns of the Company is different from the registered office, approval of members is mandatory by way of passing a special resolution.

Consent of the members is, therefore, being sought by way of special resolution for the same as mentioned in Item No. 4.

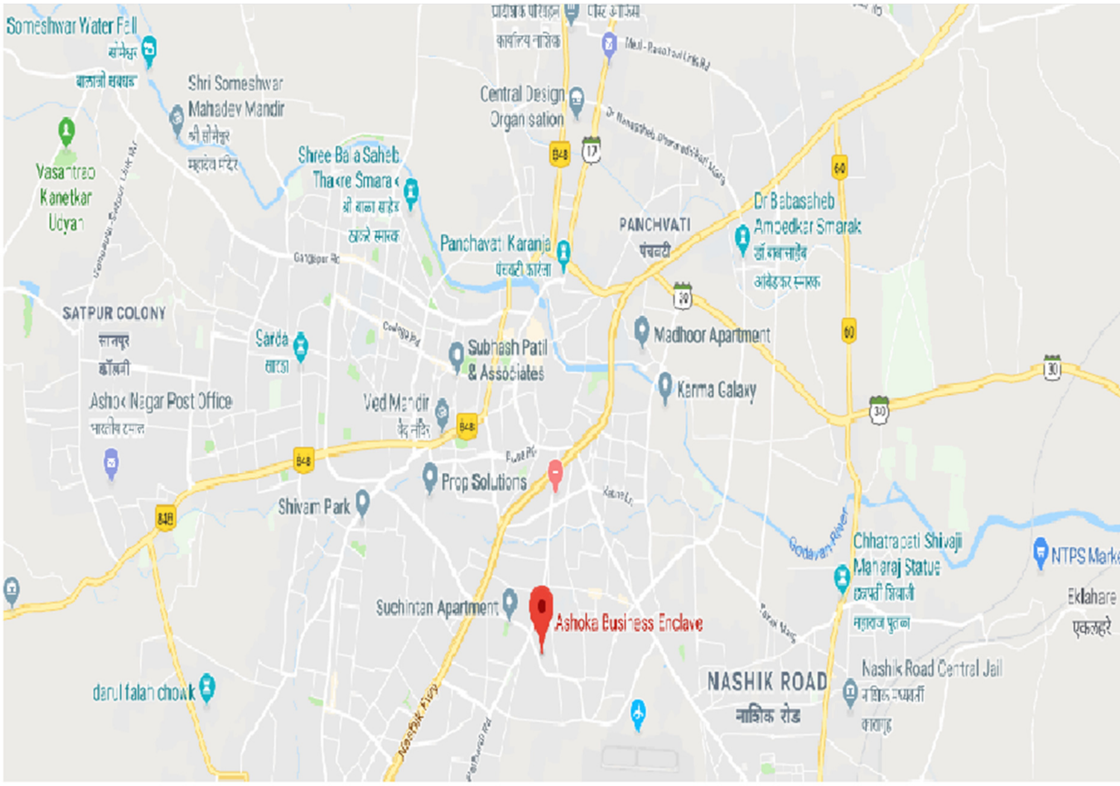
None of the Directors or Key managerial personnel of the Company and their relatives is financially or otherwise interested or concerned in the proposed resolution.

Your Directors commend passing of the forgoing resolution as a Special resolution.

For and on behalf of the Board of Directors

Sd/-	**Sd/-**
(Ashish A. Kataria)	**(Paresh C. Mehta)**
Director	**Director**
DIN : 00580763	**DIN – 03474498**

ROUTE MAP OF VENUE OF AGM



ASHOKA HIGHWAYS (BHANDARA) LIMITED

BOARD'S REPORT TO THE MEMBERS

Dear Shareholders,

We feel pleasure in presenting the Tenth (10th) Annual Report on the business and operations of the Company for the year ended March 31, 2017.

(1) FINANCIAL RESULTS

Financial results of the company for the year under review along with the figures for previous year are as follows:

(Rs. in Lakh)

Particulars	**2016-17**	**2015-2016**
Total Receipts / Gross Sales & Operating Income	5,829.96	6,724.81
Gross Profit before Depreciation, Amortization and Tax	(716.61)	(490.99)
Depreciation and amortization	1,924.79	2,002.97
Profit before Tax	(2,641.40)	(2,493.96)
Provision for Taxation	Nil	Nil
Profit after Tax	(2,641.40)	(2,493.96)
Earnings per share of Rs. 10/- each		
Basic	(10.12)	(9.55)
Diluted	(10.12)	(9.55)

(2) OPERATIONS

The Company has been floated as SPV for executing the Project viz. To carry on the business of Construction, Operation and Maintenance of Chhattisgarh / Maharashtra Border-Waingangā Bridge Section from K.M. 405.000 to K.M. 485.000 of NH-6 in the State of Chhattisgarh and Maharashtra under NHDP Phase IIIA on Build, Operate and Transfer (BOT) basis.

The Company witnessed reduction in revenue (toll collection) by 3.4% due to negative revision in toll rates and slight reduction in traffic. The Interest rate of ICICI Bank which has partly finance project loans of 149 cr as on Mar 2017 has been reduced from 10.20% to 9.85% during the financial year 2016-17. Balance debt for project is funded by India Infradebt Ltd @10.58% for Rs. 165 cr. Rating of the project has been upgraded to “A-(SO)/Stable” from “BBB+(SO)/Stable” by CRISIL during the financial year 2016-17.

(3) SHARE CAPITAL

During the year under review, the Company has not allotted any equity shares with or without differential voting rights. The paid-up Equity Share capital of the Company as at March 31, 2017 stood at Rs. 261,130,620/- (Rupees Twenty Six Crore Eleven Lakh Thirty Thousand Six Hundred and Twenty.

(4) DIVIDEND

Since your Company has incurred loss of Rs. 2,641.40 Lakh during the year, the Directors have not recommended any Dividend for the financial year 2016-2017.

(5) NUMBER OF MEETINGS HELD

A. Board Meetings

The Board of Directors duly met 04 times during the financial year 2016-17 as follows.

Sr. No.	Date of Meetings
1	28.04.2016
2	03.08.2016
3	25.11.2016
4	23.02.2017

Attendance

Sr. No	Name	No. of meetings held	No. of meetings attended
1	Mr. Ashish Kataria	4	3
2	Mr. Paresh Chatursinha Mehta	4	4
3	Mr. Madhukar Vaman Patil	4	2
4	Mr. Milind Mukund Joshi	4	3
5	Mr. Sachin Satish Johri	4	1
6	Ms. Sunanda Dandekar	4	3
7	Mr. Rajendra L. Singhvi	4	4

B. Audit Committee Meetings

The Members of Audit Committee met 04 times during the financial year as follows :

Sr. No.	Date of Meeting
1	28.04.2016
2	03.08.2016
3	25.11.2016
4	23.02.2017

Attendance

Sr. No.	Name	No. of meetings held	No. of meetings attended
1	Mr. Ashish Kataria	4	3
2	Ms. Sunanda Dandekar	4	3
3	Mr. Rajendra L. Singhvi	4	4

(6) DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) Director liable to retire by rotation;

Pursuant to the provisions of the section 161(1) of the Companies Act, 2013 read with the Articles of Association of the company, Mr. Paresh C. Mehta (DIN: 03474498), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. You are requested to re-appoint him.

(ii) Declaration Independence by Independent Directors;

Pursuant to the provisions of section 149 of the Companies Act, 2013, Ms. Sunanda V. Dandekar and Mr. Rajendra Singhvi were appointed as Independent Directors at the Annual General Meeting of the Company held on September 15, 2015. The Independent Directors have confirmed that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

(iii) Key Managerial Personnel

Mr. Peeyush Jain, CFO and Mr. Shailesh Nakhate, Manager, are the Key Managerial Personnel of your Company in accordance with the provisions of sections 2(19) & 2 (51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(7) COMMITTEE

A) AUDIT COMMITTEE

The composition of Audit Committee is as follows.

Name	Status	Category
Mr. Ashish Kataria	Chairman	Non-Executive
Ms. Sunanda Dandekar	Member	Non- Executive & Independent
Mr. Rajendra Singhvi	Member	Non- Executive & Independent

B) NOMINATION AND REMUNERATION COMMITTEE

The composition of Nomination and Remuneration Committee is as follows.

Name	Status	Category
Mr. Paresh Mehta	Chairman	Non-Executive
Ms. Sunanda Dandekar	Member	Non- Executive & Independent
Mr. Rajendra Singhvi	Member	Non- Executive & Independent

(8) AUDITORS

A. STATUTORY AUDITORS

The Company's Auditors, M/s. Natvarlal Vepari & Co., Chartered Accountants, Mumbai, (Firm Registration No. 106971 W) who have been appointed up to the conclusion of Annual General Meeting for the financial year 2017-18. The appointment for financial year 2017-18 needs ratification by the shareholders. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for re-appointment as Auditors of the Company.

B. INTERNAL AUDITORS

M/s. SSK & Co., Chartered Accountants, are internal Auditors of the Company and their reports are reviewed by the Audit Committee from time to time. The scope of work of Internal Auditors is laid down by Audit Committee and is reviewed on regular basis.

(9) PUBLIC DEPOSITS

The Company has not accepted deposits u/s 73 of the Companies Act, 2013 during the F.Y. 2016-17.

(10) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

(11) RELATED PARTY TRANSACTIONS

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are approved by the Audit Committee and have been periodically reviewed. The particulars of contracts entered during the year have been enclosed as **Annexure - II** to the Annual Report as per prescribed Form AOC-2. **.**

(12) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Data pertaining to conservation of energy and technology absorption is not applicable. There was neither foreign exchange earning nor expenditure during the year under review.

(13) PARTICULARS OF EMPLOYEES

During the year under review, none of the employees has drawn salary in excess of limits specified u/s 197 of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(14) POLICY ON PREVENTION OF SEXUAL HARASSMENT

The Company has in place Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company has not received any complaint during the year under said Policy.

(15) DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

In accordance with Section 178 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules issued thereunder, the Board of Directors at their meeting held on May 04, 2015 formulated the Nomination and Remuneration Policy for your Company on the recommendations of the Nomination and Remuneration Committee. The Remuneration Policy has been annexed to this Report as **Annexure III**.

(16) ACCOUNTS AND INTERNAL FINANCIAL CONTROL

The accounts read together with the Notes to Accounts are self-explanatory and do not call for any further explanation.

- **DETAILS ON INTERNAL FINANCIAL CONTROL**

The Company has in place adequate internal Financial Control, some of which are outlined below;

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable. These are in accordance with generally accepted accounting principles in India including Indian Accounting Standards (IND AS).

Changes in policies, if any, are approved by the Board of Directors in consultation with the Auditors.

(17) CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company does not fall under the criteria of section 135 of the Companies Act, 2013 regarding CSR expense.

(18) INTERNAL FINANCIAL CONTROLS

The Company had laid down Internal Financial Controls and such internal financial controls are adequate with reference to the Financial Statements and are operating effectively

(19) VIGIL MECHANISM AND RISK MANAGEMENT:

Vigil Mechanism :
In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism has been enclosed as part of this report as **Annexure IV.**

Risk Management :

Your Company recognises that risk is an integral part of business and is committed to manage the risk in a proactive and efficient manner. Company has in place a proper internal Risk Management system to review, identify, assess and implement the necessary action in respect thereto by following the princip0les of Risk Matrix.

There are no risks which in the opinion of the Board of Directors affect the Company's Operations on a going concern basis. Hence the Company does not have any Risk Management Policy as there are no elements of risk threatening the Company's existence.

(20) EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 are annexed herewith as **Annexure - I.**

(21) DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134 of the Companies Act, 2013, the Board of Directors hereby state that;

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d. the directors had prepared the annual accounts on a going concern basis; and

e. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

(22) ACKNOWLEDGEMENT

The Board of Directors place on record their deep appreciation to the Maharashtra State Government, National Highways Authority of India, banks and financial institutions and others for their co-operation, patronage and support during the year under review and look forward for a constant cordial relationship in the years to come.

The Board of Directors wish to place on record their deep appreciation for the services rendered by the employees of the Company at all levels and for their continued hard work, dedication and loyalty and in ensuring high level of performance.

For and on behalf of the Board of Directors

Sd/-	**Sd/-**
(Ashish A. Kataria) **Director** **DIN : 00580763**	**(Paresh C. Mehta)** **Director** **DIN – 03474498**

Place: Mumbai
Date: 24.05.2017

Annexure I

FORM NO. MGT 9

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

EXTRACT OF ANNUAL RETURN

I **REGISTRATION & OTHER DETAILS:**

i	CIN	**U45203MH2007PLC168773**
ii	Registration Date	15.03.2007
iii	Name of the Company	**ASHOKA HIGHWAYS (BHANDARA) LTD.**
iv	Category of the Company	Non Govt Company
v	Address of the Registered office & contact details	Ashoka House, Ashoka Marg, Nashik, Maharashtra. Tel. 0253-3011705, Fax - 0253-2236704 secretarial@ashokabuildcon.com
vi	Whether listed company	No.
vii	Name and Address of Registrar & Transfer Agents (RTA):-	No.

II. **PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Toll Collection	42	98.90%

III. **PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

No. of Companies for which information is being filled	1

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	Ashoka Concessions Ltd.	U45201MH2011PLC215760	Holding Company	51%	2(46)

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

i. **Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	0	0	0%	0	0	0	0%	0%
b) Central Govt	0	0	0	0%	0	0	0	0%	0%
c) State Govt(s)	0	0	0	0%	0	0	0	0%	0%
d) Bodies Corp.	13,317,658	4	13,317,662	51%	13,317,658	4	13,317,662	51%	0%
e) Banks / FI	1	0	1	0%	1	0	1	0%	0%
f) Any other	0	0	0	0%	0	0	0	0%	0%
(2) Foreign									
a) NRI - Individual/	0	0	0	0%	0	0	0	0%	0%
b) Other - Individual/	0	0	0	0%	0	0	0	0%	0%
c) Bodies Corp.	0	0	0	0%	0	0	0	0%	0%
d) Banks / FI	0	0	0	0%	0	0	0	0%	0%
e) Any Others	0	0	0	0%	0	0	0	0%	0%
Total shareholding of Promoter (A)	13317659	4	13317663	51%	13317659	4	13317663	51%	0%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0%	0	0	0	0%	0%
b) Banks / FI	0	0	0	0%	0	0	0	0%	0%
c) Central Govt	0	0	0	0%	0	0	0	0%	0%
d) State Govt(s)	0	0	0	0%	0	0	0	0%	0%
e) Venture Capital Funds	12,795,399	0	12,795,399	49%	12795399	0	12,795,399	49%	0%
f) Insurance Companies	0	0	0	0%	0	0	0	0%	0%
g) FIIs	0	0	0	0%	0	0	0	0%	0%
h) Foreign Venture	0	0	0	0%	0	0	0	0%	0%
i) Others (specify)	0	0	0	0%	0	0	0	0%	0%
Sub-total (B)(1):-	12795399	0	12,795,399	49%	12795399	0	12,795,399	49%	0%

2. Non-Institutions									
a) Bodies Corp.	0	0	0	0%	0	0	0	0%	0%
i) Indian	0	0	0	0%	0	0	0	0%	0%
ii) Overseas	0	0	0	0%	0	0	0	0%	0%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0%	0	0	0	0%	0%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0%	0	0	0	0%	0%
c) Others (specify)	0	0	0	0%	0	0	0	0%	0%
Sub-total (B)(2):-	0	0	0	0%	0	0	0	0%	0%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	12795399	0	12,795,399	49%	12795399	0	12,795,399	49%	0%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0%	0	0	0	0%	0%
Grand Total (A+B+C)	**26113058**	**4**	**26,113,062**	**100%**	**26113058**	**4**	**26,113,062**	**100%**	**0%**

ii *Shareholding of Promoters*

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Ashoka Concession Limited	13,317,653	51%	100%	13,317,653	51%	100%	0%
2	Ashoka Buildcon Limited	9	0%	0%	9	0%	0%	0%
	TOTAL	13,317,662	51%	100%	13,317,662	51%	100%	0%

iii *Change in Promoters' Shareholding (please specify, if there is no change,*

1	Ashoka Concessions Ltd.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total
	At the beginning of the year	13,317,653	51%	13,317,653	51%
	Changes During the Year	0	0%	0	0%
	At the End of the year	13,317,653	51%	13,317,653	51%

2	Ashoka Buildcon Ltd.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total
	At the beginning of the year	9	0%	9	0%
	Changes During the Year	0	0%	0	0%
	At the End of the year	9	0%	9	0%

iv *Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)*

1	India Infrastructure Fund	Shareholding at the beginning of the		Cumulative Shareholding	
		No. of shares	% of total shares	No. of shares	% of total
	At the beginning of the year	12,795,399	49%	12,795,399	49%
	Changes During the Year	0	0%	0	0%
	At the End of the year	12,795,399	49%	12,795,399	49%

v *Shareholding of Directors and Key Managerial Personnel:*

None of the directors and KMPs hold shares.

vi **INDEBTEDNESS**

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

(Rs. In Lakhs)

Indebtedness at the beginning of the financial year	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtness**
i) Principal Amount	31,428.00	13,366.69	-	44,794.69
ii) Interest due but not paid		-	-	-
iii) Interest accrued but not due	154.25	-	-	154.25
Total (i+ii+iii)	31,582.25	13,366.69	-	44,948.94
Change in Indebtedness during the financial year	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtness**
* Addition	-	-	-	-
* Reduction	1,134.00	803.22		1,937.22
Net Change	(1134.00)	(803.22)	-	(1937.22)
Indebtedness at the end of the financial year	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtness**
i) Principal Amount	30,294.00	12,563.47	-	42,857.47
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	144.62	-	-	144.62
Total (i+ii+iii)	30,438.62	12,563.47	-	43,002.09

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

None of the Directors except following Manager has drawn remuneration in FY 2016-17.

Sl. no.	Particulars of Remuneration	Name of Manager	Total Amount
		Mr. Shailesh Nkhate	
1	Gross salary	308,148	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 including commisison	308,148	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	308,148
2	Stock Option granted	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	-	308,148
	Ceiling as per the Act		-

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
		Ms. Sunanda Dandekar	Mr. Rejendra Singhvi	
1	**Independent Directors**			
	Fee for attending board committee meetings	70,000	90,000	
	Commission	0	0	
	Others, please specify	0	0	
	Total (1)	**0**	**0**	**160,000**
2	**Other Non-Executive Directors**			
	Fee for attending board committee meetings	0	0	
	Commission	0	0	
	Others, please specify	0	0	
	Total (2)	**0**	**0**	**0**
	Total (B)=(1+2)	**0**	**0**	**160,000**
	Total Managerial Remuneration	**0**	**0**	**160,000**
	Overall Ceiling as per the Act	**N.A.**		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

None of the KMPs has drawn remuneration in FY 2016-17.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for the year ended

For and on behalf of Board of Directors

Sd/- **Sd/-**

(Ashish Kataria) **(Paresh C. Mehta)**

Director	Director
DIN : 00580763	DIN – 03474498

Place : Mumbai
Date : 24.05.17

Annexure II - Form AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sr. No.	Name of the Related Party	Nature of Contracts/Arrangements/ Transactions:	Durations of the Contracts / Agreements/ Transactions	Salient Terms of the Contracts or arrangements or Transactions including the Value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) approval by the Board, if any	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting
	Not Applicable							

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

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of Contracts / Agreements / Transactions	Durations of the Contracts / Agreements/ Transactions	Salient Terms of the Contracts or arrangements or Transactions including the Value, if any (Amt in Lakhs)	Date(s) approval by the Board, if any	Amount paid as advances, if any
1	Ashoka Concessions Limited	Holding Company	Rendering of Services	As per terms of Contract	O & M Expenditure/EPC - Rs. 540 Lakh	20.01.2016	Nil

For and on behalf of Board of Directors of Ashoka Highways (Bhandara) Limited

Sd/-

(Ashish Kataria)
Director
DIN : 00580763

Sd/-

(Paresh C. Mehta)
Director
DIN – 03474498

Place : Mumbai
Date : 24.05.2017

Annexure – III

ASHOKA HIGHWAYS (BHANDARA) LIMETED

REMUNERATION POLICY

The Remuneration Policy **(“Policy / this Policy”)** of Ashoka Highways (Bhandara) Ltd. (the “Company”) is designed to attract, motivate and retain manpower in a competitive market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

The Policy applies to the Company's Board of Directors, Senior Management, including its Key Managerial Personnel (KMP).

Guiding principles

The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent Executives.

Remuneration Policy

The Nomination and Remuneration Committee recommends to the Board the compensation package of the Executive Directors and also the compensation payable to the Non-Executive Directors of the Company in accordance with the provisions contained in the Companies Act, 2013.

The Company has the Policy of remunerating Non-Executive Directors through payment of Sitting Fees, or Commission or both within the ceiling prescribed by the Central Government.

For and on behalf of the Board of Directors

Sd/-	**Sd/-**
(Ashish A. Kataria) **Director** **DIN : 00580763**	**(Paresh C. Mehta)** **Director** **DIN – 03474498**

Place: Mumbai
Date: 24.05.2017

Annexure - IV
ASHOKA HIGHWAYS (BHANDARA) LIMITED
Vigil Mechanism / Whistle Blower Policy

Introduction

Ashoka Highways (Bhandara) Limited **("the Company")** believes in conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company is committed to develop a culture where it is safe for all employees to raise concerns about any fraudulent or unacceptable practice and any event of misconduct.

Vigil Mechanism / Whistle Blower Policy **("the Policy")** is a device to help alert and responsible individuals to bring to the attention of the Management, promptly and directly, any unethical behavior, suspected fraud or abrasion or irregularity in the Company practices which is not in line with Code of Business Principles or the law of the land, without any fear or threat of being victimised.

This Policy is issued pursuant to Section 177 of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014.

The Company is committed to provide adequate safeguards against victimisation of employees and directors or other persons who avail of such mechanism and also provide for direct access to the Chairperson of the Audit Committee or the Director nominated by the Audit Committee, as the case may be, in exceptional cases.

a) Address for Communication :

If any Director / Employee comes across any information detrimental to the interest of the Company, the same should be intimated immediately to the Compliance Officer. The procedure as outlined hereunder will be adopted to deal with such concerns / grievances.

The Whistle Blower shall send his/her Grievance / Complaint ("Complaint") in written form to the following address.

To,
Manager,
Ashoka Highways (Bhandara) Limited
Ashoka House, Ashoka Marg,
Nasik - 422 011

The Manager is designated as Compliance Officer of the Company, reporting to Chairman of the Audit Committee.

The concerns / grievances shall be sent to the Chairman of the Audit Committee.

The concerns / grievances shall be received in writing by the Compliance Officer duly signed by the complainant. The employee making the complaint shall identify oneself while reporting a concern. Anonymous Reports shall not be considered for further action.

Employees can raise a concern to his supervisor / Manager or a member of the Management. Alternatively, an employee can raise a concern directly to the Compliance Officer in writing.

The Complaint raised will be placed before an appropriate Committee for investigation. The Committee will investigate the Complaint and if it finds no merit or materiality in the Complaint, the said Complaint will be closed and intimation will be sent to Whistle Blower within reasonable period and in any case not exceeding 90 days from the receipt of Complaint.

However, if any merit is found in the Complaint, the Compliance Officer in consultation with the Management will nominate an Investigating Officer who will conduct the investigations directly or through a team formed by the Compliance Officer depending on the nature of the concern. On receipt of the investigation report the Compliance Officer will submit his Report to the Audit Committee who will take a decision on the action to be initiated regarding the concern raised.

The Committee shall give an opportunity of being heard to the Whistle Blower and the investigation will be conducted following the principles of natural justice. In case of any criminal action that may be required/advised to be initiated, the Chairman of the Company will take a final decision.

b) Protection

(A) No unfair treatment will be given to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization of Whistle Blower. Complete protection will, be given to Whistle Blower against any unfair practice like threat or termination / suspension of service, disciplinary action, or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure.

(B) The Company will do its best to protect confidentiality of an identity of the Whistle Blower.

(C) If the Whistle Blower makes an allegation in good faith, which is not confirmed by the investigation, no action will be taken against the Whistle Blower. However, if a complaint is found to be malicious or vexatious or made with any ulterior motive or malafide intention, appropriate disciplinary action will be taken.

(D) The Company will not entertain anonymous / frivolous grievance.

c) Reporting:

- A quarterly report with number of Complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board periodically.
- Details of establishment of such mechanism shall be disclosed by the company on its website, if any, and in the Board's report.

d) Coverage of Policy:

The Policy covers malpractices and events which have taken place/ suspected to take place involving:

a) Abuse of authority;
b) Breach of contract;
c) Negligence causing substantial and specific danger to public health and safety;
d) Manipulation of company data/records;
e) Financial irregularities, including fraud, or suspected fraud;
f) Criminal offense;
g) Pilferation of confidential/propriety information;
h) Deliberate violation of law/regulation;
i) Wastage/misappropriation of company funds/assets;
j) Breach of employee Code of Conduct or Rules; and
k) Any other unethical, biased, favoured, imprudent event

The above Vigil Mechanism has been approved at the meeting of Board of Directors of the Company. The same will be effective from March 31, 2015.

For and on behalf of the Board of Directors

Sd/-	**Sd/-**
(Ashish A. Kataria)	**(Paresh C. Mehta)**
Director	**Director**
DIN : 00580763	**DIN – 03474498**

Place: Mumbai
Date: 24.05.2017

INDEPENDENT AUDITOR'S REPORT

To the Members
Ashoka Highways (Bhandara) Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Ashoka Highways (Bhandara) Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2017 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 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 31st March, 2017 and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We invite attention to note no 7(a) relating to the projections on the basis of which the depreciation and the impairment testing is done. The impact on the financials is based on the management achieving the projections considered in the financial closure agreement. Our report is not modified on this account.

Other matter

The financial information of the company for the year ended March 31 2016 and the transaction date opening balance sheet as at April 1 2015 included in these standalone financial statements are based on the previously issued statutory financial statements for the year ended March 31 2016 and March 2015 prepared in accordance with the companies (Accounting standards) Rules 2006 (as amended) which were audited by us on which we expressed unmodified opinion dated April 28 2016 and May 4 2015 respectively. The adjustments to these financial statements for the difference in accounting principles adopted by the company on transaction have been audited by us.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section143 of the Act, we give in the Annexure A, a statement on the matters Specified in paragraphs 3 and 4 of the Order.

1. 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, Statement of Profit and Loss, and 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 written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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”; and

(g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 21 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 are no amounts that are required to be transferred to the Investo4r education and Protection Fund.

For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration no.106971W

Sd/-

Nuzhat Khan
Partner
Membership No. 124960
Mumbai, Dated : May 24, 2017

ANNEXURE A TO AUDITOR'S REPORT

(i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) Fixed assets have been physically verified by the management during the period and no material discrepancies were identified on such verification.

(c) We have verified the title deeds of immovable properties forming part of Fixed Assets produced before us by the management and based on such verification we confirm that the same are held in the name of the company.

(ii) The Company does not have any inventories and thus the provisions of clause (ii) of the Companies (Auditors Report) Order 2016 are not applicable to the Company.

(iii) The Company has not granted any loan secured or unsecured to any company, firm, Limited Liability Partnership or other parties covered in the register maintained u/s 189 of the Companies Act 2013. Therefore clause (iiia), (iiib) and (iiic) of Companies (Auditors Report) Order, 2016 are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the company has not granted any loans, made any investments, provided any guarantees and security and thus the provisions of section 185 and 186 with respect to loans, investments, guarantees and security given are not applicable to the Company.

(v) The Company has not accepted any deposit from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of the said sections.

(vi) As informed to us the maintenance of the cost records under the sub-section (1) of section 148 of the Companies Act, 2013 has been prescribed and we are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate or complete.

(vii) (a) The Company has been regular in depositing undisputed statutory dues including Provident fund, , Income Tax, Sales Tax, Works Contract tax , Service Tax, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2016 for a period of more than six months from the date of becoming payable.

(b) According to the information and explanations given to us, there are no dues of Sales Tax, Service Tax, Duty of Customs or Duty of Excise or Value Added Tax which have not been deposited on account of any dispute.

.

(viii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in payment of dues to the Financial Institution or Banks or payment of dues to the debenture holders.

(ix) The company has not raised any money by way of public issue / follow-on offer (including debt instruments). The Company has also not raised any term loans during the year and therefore the provisions of clause 3(ix) of the Companies (Auditors Report) Order, 2016 are not applicable to the Company.

(x) According to the information and explanations given to us and to the best of our knowledge and belief no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) The Company has not paid/ provided managerial remuneration and thus the provisions of section 197 read with schedule V to the Companies Act, 2013 and the provisions of clause 3(xi) of the Companies (Auditors Report) Order, 2016 are not applicable to the Company.

(xii) The Company is not a Nidhi Company hence clause 3(xii) of Companies (Auditors Report) Order 2016 is not applicable to the Company.

(xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Audit Committee and Board of Directors are concerned. The details of related party transactions have been disclosed in the financial statements as required by the Accounting Standard AS-18 – Related Party Disclosures of the Companies (Accounting Standards) Rules, 2006.

(xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and therefore the provisions of clause 3(xiv) of the Companies (Auditors Report) Order, 2016 are not applicable to the Company.

(xv) The company has not entered into any non-cash transactions with directors or persons connected with him and therefore the provisions of clause 3(xv) of the Companies (Auditors Report) Order, 2016 are not applicable to the Company. .

(xvi) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934.

For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration no.106971W

Sd/-

N Jayendran
Partner
Membership No. 040441
Mumbai, Dated : 24^{th} May, 2017

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Ashoka Highways (Bhandara) Limited ("the Company") as of 31 March 2017 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.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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.

For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration no.106971W

Sd/-
N Jayendran
Partner
Membership No. 040441
Mumbai, Dated: 24th May, 2017

ASHOKA HIGHWAYS BHANDARA LIMITED
CIN : CIN : U45203MH2007PLC168773

Balance Sheet as at March 31, 2017 **(Rs In Lacs)**

	Particulars	Note No.	As at As at 31-Mar-17	As at As at 31-Mar-16	As at As at 01-Apr-2015
I	**ASSETS**				
1	**NON-CURRENT ASSETS**				
	(a) Property, plant and equipment	**1**	60.07	67.34	86.08
	(b) Intangible assets	**1A**	41,448.03	43,341.52	45,301.82
	(c) Intangible Asset under development	**1A**	1,626.66	1,626.66	1,626.66
	(d) Financial assets				
	(i) Investments	**2**	-	-	-
	(ii) Other financial assets	**3**	4.04	4.04	4.04
	(e) Other non-current assets	**4**	855.39	1,068.04	1,235.66
	TOTAL NON-CURRENT ASSETS		**43,994.19**	**46,107.60**	**48,254.26**
2	**CURRENT ASSETS**				
	(a) Financial assets				
	(i) Investments	**2**	-	1,269.21	459.86
	(ii) Trade receivables	**5**	118.21	-	-
	(iii) Cash and cash equivalents	**6**	204.15	37.89	19.24
	(iv) Bank balances other than (iii) above		-	-	-
	(v) Loan		-	-	-
	(b) Other current assets	**7**	215.14	450.19	4,286.57
	TOTAL CURRENT ASSETS		**537.50**	**1,757.29**	**4,765.68**
	TOTAL ASSETS		**44,531.69**	**47,864.89**	**53,019.94**
I	**EQUITY & LIABILITIES**				
1	**EQUITY**				
	(a) Equity Share Capital	**8**	2,611.31	2,611.31	2,611.31
	(b) Other Equity	**9**	(4,311.94)	(1,669.14)	826.01
	TOTAL EQUITY		**(1,700.64)**	**942.17**	**3,437.32**
2	**NON-CURRENT LIABILITIES**				
	(a) Financial Liabilities				
	(i) Borrowings	**10**	42,857.47	44,794.70	43,948.36
	(ii) Trade payables		-	-	-
	(iii) Other financial liabilities		-	-	-
	(b) Provisions	**11**	1,276.98	324.55	4,016.70
	(c) Deferred tax liabilities (Net)		-	-	-
	(c) Other non-current liabilities	**12**	673.55	719.08	762.01
	TOTAL NON-CURRENT LIABILITIES		**44,808.00**	**45,838.33**	**48,727.07**
3	**CURRENT LIABILITIES**				
	(a) Financial liabilities				
	(i) Borrowings		-	-	-
	(ii) Trade payables	**13**	68.11	342.80	138.94
	(iii) Financial Guarantee liabilities		-	-	-
	(iv) Other financial liabilities	**14**	1,311.73	670.46	652.70
	(b) Provisions	**15**	0.20	0.34	0.22
	(c) Current tax liabilities (Net)		-	-	-
	(d) Other current liabilities	**16**	44.29	70.80	63.70
			-	-	
	TOTAL CURRENT LIABILITIES		**1,424.33**	**1,084.40**	**855.55**
	TOTAL LIABILITIES		**46,232.33**	**46,922.73**	**49,582.62**
	TOTAL EQUITY AND LIABILITIES		**44,531.69**	**47,864.89**	**53,019.94**

As per our report of even date attached
For Natvarlal Vepari & Co
Chartered Accountants
FRN: 106971W
Sd/-

Nuzhat Khan
Partner
M.No: 124960
Date: May 24, 2017
Place: Mumbai

For and behalf of the Board of Directors of
Ashoka Highways (Bhandara) Limited

Sd/-	Sd/-	Sd/-
Peeyush K Jain	Paresh C Mehta	Ashish Ashok Katari
CFO	Director	Director
	DIN : 03474498	DIN :00580763

Date: May 24, 2017
Place: Mumbai

ASHOKA HIGHWAYS BHANDARA LIMITED

CIN : U45203MH2007PLC168773

Profit and Loss statement for the year ended March 31, 2017 **(Rs In Lacs)**

	Particulars	Note No.	For year ended March 31, 2017	For year ended March 31, 2016
1	Revenue from Operations	17	5,766.22	5,964.92
2	Other Income	18	63.74	759.89
3	Total Revenue (1+2)		**5,829.96**	**6,724.81**
4	Expenses:			
	Operating Expenses	19	1,510.18	1,788.89
	Employee Benefits Expenses	20	170.76	154.00
	Finance Expenses	21	4,784.91	5,189.99
	Depreciation and Amortisation	22	1,924.79	2,002.97
	Other Expenses	23	80.72	82.92
			8,471.36	**9,218.77**
5	Profit before Exceptional, Extraordinary Items and Tax (3-4)		**(2,641.40)**	**(2,493.96)**
6	Exceptional Items		-	-
7	Profit before Tax (5-6)		**(2,641.40)**	**(2,493.96)**
8	Tax Expense:			
	Current Tax		-	-
	Deferred Tax		-	-
			-	-
9	**Profit for the period (7-8)**		**(2,641.40)**	**(2,493.96)**
10	**Other Comprehensive Income**			
	Items that will not be reclassified to Profit and Loss		(1.41)	(1.19)
11	Total comprehensive income for the period (9+10)		**(2,642.81)**	**(2,495.15)**
12	Earnings per Equity Share:			
	Basic Rs per share	25	**(10.12)**	**(9.55)**
	Diluted Rs per share	25	**(10.12)**	**(9.55)**

As per our report of even date attached
For Natvarlal Vepari & Co
Chartered Accountants
FRN: 106971W

For and behalf of the Board of Directors of
Ashoka Highways (Bhandara) Limited

Sd/-	Sd/-	Sd/-	Sd/-
Nuzhat Khan	Peeyush K Jain	Ashish A Katariya	Paresh C Mehta
Partner	CFO	Director	Director
M.No: 124960		DIN :00580763	DIN : 03474498

Date: May 24, 2017
Place: Mumbai

Date: May 24, 2017
Place: Mumbai

ASHOKA HIGHWAYS BHANDARA LIMITED
CIN : U45203MH2007PLC168773
CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2017

Particulars	For period ended March 31, 2017		For period ended March 31, 2016	
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax As Per Profit & Loss Account		**(2,641.40)**		**(2,493.96)**
Adjusted For :				
Depreciation & Impairement of property, plant & Equipment	31.31		42.66	
Amortization & Impairement of intangible assets	1,893.48		1,960.31	
Profit on sale of investments	(29.64)		(66.41)	
Sundry Balances written back	0.00		(446.95)	
Provision for Periodic Maintenance	875.78		1,124.38	
Interest Expenses	4,709.26		4,958.26	
IND AS Adjustment- Fair Value Adjustment	-		(0.17)	
		7,480.19		**7,572.08**
Operating Profit Before Working Capital Changes				
Adjusted For :				
Changes in Financial Assets	(118.21)		-	
Changes in other assets	217.49		3,813.77	
Changes in financial liabilities	(287.94)		658.14	
Changes in trade payables	(72.04)		(35.83)	
Changes in provisions	284.69		(4,593.96)	
		24.00		**(157.88)**
Cash generation from Operations		**4,862.79**		**4,920.24**
Income tax paid		27.14		(22.95)
Net Cash Flow From Operating Activities (A)		**4,889.93**		**4,897.28**
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment	(24.03)		(23.93)	
Investment in Mutual Funds	(6,309.65)		(9,137.99)	
Redemption in Mutual Funds	7,608.50		8,395.22	
Redemption proceeds from investment in Mutual Funds	0.00		-	
Net Cash Used in Investing Activities (B)		**1,274.83**		**(766.70)**
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long Term Borrowings	1,291.76		1,355.52	
Repayment of Long Term Borrowings	(2,581.00)		(509.18)	
Interest Expenses	(4,709.26)		(4,958.27)	
Net Cash Used in Financing Activities (C)		**(5,998.50)**		**(4,111.93)**
Net Change in Cash & Cash Equivalents (A+B+C)		**166.26**		**18.65**
Cash & Cash Equivalents at the beginning of the year		37.89		19.24
Cash & Cash Equivalents at the end of the year		204.15		37.89
		166.26		**18.65**
Components of Cash and Cash Equivalents				
Balances with scheduled banks in current account		184.97		23.87
Cash on hand		19.18		14.02
Total Components of Cash and Cash Equivalents		**204.15**		**37.89**

As per our report of even date attached
For Natvarlal Vepari & Co
Chartered Accountants
FRN: 106971W

For and behalf of the Board of Directors of
Ashoka Highways (Bhandara) Limited

Sd/-
Nuzhat Khan
Partner
M.No: 124960
Date: May 24, 2017
Place: Mumbai

Sd/-	Sd/-	Sd/-
Peeyush K Jain	Paresh C Mehta	Ashish A Katariya
CFO	Director	Director
	DIN : 03474498	DIN :00580763

Date: May 24, 2017
Place: Mumbai

ASHOKA HIGHWAYS BHANDARA LIMITED
Notes to financial statements for the year ended March 31, 2017
(All figures are in lacs unless otherwise stated)

A Statement of Changes in Equity for the period ended

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of Shares	Rs. in lacs	Number of Shares	Rs. in lacs	Number of Shares	Rs. in lacs
Equity shares of INR 10 each issued, subscribed and fully paid						
Balance at the beginning of the reporting period	26,113,062	2,611.31	26,113,062	2,611.31	26,113,062	2,611.31
Changes in equity share capital during the year						
- issued during the reporting period	-	-	-	-	-	-
Balance at the end of Reporting period	**26,113,062**	**2,611.31**	**26,113,062**	**2,611.31**	**26,113,062**	**2,611.31**

B Other Equity

Particulars	Retained Earnings	Capital Contribution	Security Premium Reserve	Other Comprehensive Income	Total
Balance as at April 1, 2015 as per IGAAP	**(15,852.60)**		**5,112.35**		**(10,740.25)**
IND AS Adjustments on account of :-					-
Guarantee Obligation		1,209.72			1,209.72
Loan from Promoter in the form of Quasi Equity		9,379.22			9,379.22
Guarantee Amortisation	(31.44)				(31.44)
Grant Amortisation	157.99				157.99
Remeasurement on Actuarial Gain/Loss	(0.32)			0.32	0.00
Fair Valuation of Current Investments	1.44				1.44
Amortisation of Upfront fees	(195.05)				(195.05)
Fair Valuation if Intangibles Assets as per IND AS 11 (net of additional depreciation)	1,044.38				1,044.38
Balance as at April 1, 2015 as per IND AS	**(14,875.60)**	**10,588.94**	**5,112.35**	**0.32**	**826.01**
Profit for the year	(2,493.96)				(2,493.96)
Other comprehensive income/(loss) for the year				(1.19)	(1.19)
Balance as at 31 March 2016	**(17,369.57)**	**10,588.94**	**5,112.35**	**(0.86)**	**(1,669.14)**
Profit for the year	(2,641.40)				(2,641.40)
Other comprehensive income/(loss) for the year				(1.41)	(1.41)
			(0.01)		(0.01)
Balance as at 31 March 2017	**(20,010.96)**	**10,588.94**	**5,112.35**	**(2.27)**	**(4,311.94)**

A Corporate profile

The Ashoka Highways (Bhandara) Limited, the Company, is a Special Purpose Vehicle (SPV) incorporated on 15th March 2007 under the provisions of the Companies Act 1956 by Ashoka Buildcon Limited, in pursuance of the contract with National Highway Authority Limited (NHAI) to design, engineering, finance, construction, operation and maintenance of Chhatisgarh / Maharashtra border Wainganga bridge section from km 405.000 to km 485.000 of NH-6 in the state of Maharashtra under NHDP Phase IIIA on Build, Operate and Transfer (BOT) basis. The concession period is 20 (Twenty) Years including Construction period of 30 (Thirty) Months. The construction of the entire project has been sub-contracted to the parent company Ashoka Buildcon Limited as an EPC contractor.

B Significant Accounting Policies

I Basis of preparation

These financial statements are Separate Financial Statements as per Ind AS 27 - Separate Financial Statements and are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

For all periods upto and including the year ended March 31, 2016 the Company prepared its financial statements in accordance with accounting standards Companies (Accounting Standards) Rules 2006 notified under the section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

The financial statements for the year ended March 31, 2017 are the first period for which the Company has prepared in accordance with Ind AS . The previous period comparatives for the eighteen months period ended March 31, 2016 which were earlier prepared as per IGAAP have been restated as per Ind AS to make them comparable. The date of transition to Ind AS is therefore April 1, 2015 for which the Opening Balance Sheet is prepared.

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

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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

II Use of estimates

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

The operating cycle of the business of the Company is twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

1 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when :

- It is expected to be realised or intended to be sold or consumed in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when :

- It is expected to be settled in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for atleast twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised

i Construction contract revenues :

In accordance with the principal laid down in Appendix A to the Ind As 11, revenue from Construction service are recognized in exchange for grant of tolling rights, accounted at the fair value of service rendered on Cost plus margin.

ii Tolling Income :

Tolling Income is recognised on usage of recovery of the usage charge thereon based on the notified toll rates by the Grantor.

iii Interest income:

Interest on financial asset is recognised by applying effective interest method

iv Dividend income:

Dividend is recognised when the shareholders’ right to receive payment is established by the balance sheet date.

v Capital Grant

As per IND AS 20 " Accounting for Government grants and disclosure of Government Assistance " and IND AS 109" Financial Instruments " , the Grant received from National Highways Authority of India satisfies the Income approach criteria and therefore the Company has amortised the Grant received based on traffic count to Profit and Loss account every year.

3 Property, Plant and Equipment (PPE)

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

ii Significant spares which have a usage period in excess of one year are also considered as part of Property, Plant and Equipment and are depreciated over their useful life.

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

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

v Depreciation on all assets of the Company is charged on written down method over the useful life of assets at the rates and in the manner provided in Schedule II of the Companies Act 2013 for the proportionate period of use during the year. Depreciation on assets purchased /installed during the year is calculated on a pro-rata basis from the date of such purchase /installation.

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

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

viii Leasehold improvements is amortized on a straight line basis over the period of lease.

4 Intangible assets :

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

ii The tolling rights received in exchange for the Construction Service rendered to the grantor of tolling rights are recognied as an intangible asset to be amortized over the period of operation of the facility as per the Concession agreement.

iii The useful lives of intangible assets are assessed as either finite or indefinite.

iv Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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

5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

6 Impairment

Assets with an indefinite useful life and goodwill are not amortized/ depreciated and are tested annually for impairment. Assets subject to amortization/depreciation are tested for impairment provided that an event or change in circumstances indicates that their carrying amount might not be recoverable. An impairment loss is recognized in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher between an asset's fair value less sale costs and value in use. For the purposes of assessing impairment, assets are grouped together at the lowest level for which there are separately identifiable cash flows (cash-generating units).

Non-financial assets other than goodwill for which impairment losses have been recognized are tested at each balance sheet date in the event that the loss has reversed.

7 Investments

Current Investments are accounted on fair value value with changes in Profit and Loss account.

8 Taxes

Current Income Tax

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

9 Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

10 Earnings per share

Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

11 Provisions, Contingent Liabilities and Contingent Assets

Provisions

The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

12 Contingent liabilities

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

13 Employee Benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity, a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected Unit Credit Method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

► The date of the plan amendment or curtailment, and

► The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Termination Benefits

Termination benefits are payable as a result of the company’s decision to terminate employment before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognizes these benefits when it has demonstrably undertaken to terminate current employees’ employment in accordance with a formal detailed plan that cannot be withdrawn, or to provide severance indemnities as a result of an offer made to encourage voluntary redundancy. Benefits that will not be paid within 12 months of the balance sheet date are discounted to their present value.

14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities on the balance sheet.

15 Fair Value Measurement

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

► In the principal market for the asset or liability, or

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

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

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

16 Financial instruments

Financial Assets & Financial Liabilities

Initial recognition

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

Non-derivative financial instruments

Subsequent measurement

Financial assets carried at amortised cost

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

Financial assets at fair value through other comprehensive income

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

Financial assets at fair value through profit or loss

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

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ASHOKA HIGHWAYS (BHANDARA) LIMITED
CIN : U45203MH2007PLC168773

1 **Property Plant and Equipment**

Details of Additions, Adjustments, Depreciation and Net Block - Asset class wise for 2016-17

Particulars	Land	Vehicles	Computer Assets	Office equipments	Furniture and fixtures	Total
Cost or valuation						
As at April 1, 2015	1.50	47.84	0.24	79.23	10.89	139.70
Additions				23.93		23.93
Sales/Disposals/Adjustments						-
As at 31 March 2016	**1.50**	**47.84**	**0.24**	**103.16**	**10.89**	**163.63**
Additions		6.40		17.63		24.03
Sales/Disposals/Adjustments						-
As at March 31, 2017	**1.50**	**54.24**	**0.24**	**120.79**	**10.89**	**187.66**
Depreciation						
As at April 1, 2015		30.68	0.16	16.40	6.38	53.62
Charge for the period (note 1)		4.45	0.03	37.25	0.94	42.67
Sales/Disposals/Adjustments						-
As at 31 March 2016	**-**	**35.13**	**0.18**	**53.65**	**7.32**	**96.28**
Charge for the period		4.29	0.02	26.26	0.75	31.32
Sales/Disposals/Adjustments						-
As at March 31, 2017	**-**	**39.42**	**0.20**	**79.91**	**8.07**	**127.60**
Net Block Value						
At March 31, 2017	**1.50**	**14.82**	**0.04**	**40.88**	**2.82**	**60.07**
At March 31, 2016	**1.50**	**12.71**	**0.06**	**49.51**	**3.57**	**67.34**
At April 1, 2015	**1.50**	**17.16**	**0.08**	**62.83**	**4.51**	**86.08**

1A **Intangible Assets & Intangible Asset under development**

Particulars	Intangible Asset-Concession Rights	Intangible Assets Under Development	Total
Cost or valuation			
As at April 1, 2015	52,213.29	1,626.66	**53,839.95**
Additions			-
Sales/Disposals/Adjustments			-
As at 31 March 2016	**52,213.29**	**1,626.66**	**53,839.95**
Additions			-
Sales/Disposals/Adjustments			**-0.01**
As at March 31, 2017	**52,213.29**	**1,626.66**	**53,839.95**
Depreciation			
As at April 1, 2015	6,911.47	-	**6,911.47**
Charge for the period	1,960.31	-	**1,960.31**
Sales/Disposals/Adjustments			-
As at 31 March 2016	**8,871.78**	**-**	**8,871.78**
Charge for the period	1,893.48	-	**1,893.48**
Sales/Disposals/Adjustments			
As at March 31, 2017	**10,765.26**	**-**	**10,765.26**
Net Block Value			
At March 31, 2017	**41,448.03**	**1,626.66**	**43,074.69**
At March 31, 2016	**43,341.52**	**1,626.66**	**44,968.18**
At April 1, 2015	**45,301.82**	**1,626.66**	**46,928.48**

2 Financial Assets- Investments

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
	Amount	Amount	Amount
Other Investments- Current:			
Investmnet in Mutual Funds - Quoted			
SBI Premier Liquid Fund-Regular Plan-Growth (20953.86 Units)	-	-	459.86
JM High Liquidity Fund -Growth Option Plan (3071063 Units)	-	1,269.21	-
Total	**-**	**1,269.21**	**459.86**
Disclosure:			
Investments carried at fair value through Profit and Loss	**-**	**1,269.21**	**459.86**

3 Other Financial Asset - Non Current

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
Unsecured considered good:(At mortised Cost)			
Security Deposits	4.04	4.04	4.04
Total	**4.04**	**4.04**	**4.04**

4 Other Non Current Asset

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
Unamortised portion of Upfront fees and Guarantee Commission	847.20	1,032.71	1,223.27
Advance Tax & TDS (Net of Provision)	8.20	35.34	12.39
Total	**855.39**	**1,068.04**	**1,235.66**

5 Trade Receivables

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
(Unsecured, considered good at amortised cost)			
Toll collection receivable (ETC and POS)	3.70	-	
Receivable from NHAI on account of Suspension period	114.51		
Total	**118.21**	**-**	**-**

i **<u>Expected Credit loss:-</u>**

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed. The Company has provided for the expected credit loss from trade receivable .

ii **<u>Reimbursement from NHAI for Suspension period</u>**

The Company has accounted for reimbursement from NHAI for the period from November 9, 2016 till December 2, 2016 i.e., 24 days where there was suspension for collection of Toll from NHAI due to demonitisation. The Company has made an application w.r. t reimbursement of interest and O&M expenses during the aforesaid period. Out of the total claim made by the Company, Rs 262.08 lacs isapproved by Independent Valuer and the Company has accordingly accrued the reimbursement of the amount as other operating income. Futher the Company has received Rs 147.58 lacs till March 31, 2017 and Rs 42.28 lacs in April 2017. The Management is hopeful of receiving the entire amount certified by the independent valuer and the Company has not received any intimation of rejection of its claim. However the approval from NHAI is pending as on the date of Balance Sheet. The amount claimed as reimbursement from NHAI is shown as reduction from Interest Cost and Operation & Maintenance Expenditure and Other Direct Cost.

(All figures are in lacs unless otherwise stated)

6 Cash and cash Equivalents

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
Cash & Cash Equivalents			
Cash on hand	19.18	14.02	12.85
Balances with Banks - Current account	184.97	23.87	6.40
Total	**204.15**	**37.89**	**19.24**

(i) **Disclosure of Specified Bank Notes (SBNs)**

During the year, the Company had specified bank notes and other denomination notes as defined in the Ministry of Corporate Affairs notification G.S. R. 308(E) dated 30th March, 2017 on the details of Specified Bank Notes held and transacted during the period from 8th November, 2016 to 30th December, 2016 the denomination wise SBNs and other notes as per the notification is given below:

(Rs in Full figures)

Particulars	SBN's *	Other Denomination Notes	Total
Closing cash in hand as on 8th November, 2016	1,217,500	45,509	1,263,009
(+) Permitted receipts	7,791,500	35,258,124	43,049,624
(-) Permitted payments	46,000	119,041	165,041
(-) Amount deposited in Banks	8,963,000	33,503,128	42,466,128
Closing cash in hand as on 30th December, 2016	-	1,681,464	1,681,464

* For the purpose of this clause, the term "Specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated 8th November, 2016.

7 Other Current Asset

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
Current portion of Unamortised Upfront fees and Guarantee Commission	185.50	190.56	193.49
Prepaid Expenses Others	27.63	18.62	14.25
Advance Gratuity	-	1.02	1.40
VAT Refund Receivable	2.01	1.56	1.56
Major Maintenance Advance to Contractor- Related parties (*)	-	238.43	4,075.88
Total	**215.14**	**450.19**	**4,286.57**

(*) 'The company had granted advance towards the major maintenance activity to its ultimate holding company M/s Ashoka Buildcon Limited in the previous year. The said advance was interest bearing and is being adjusted from the invoices of Major maintenance raised by the contractor. The balance amount after the booking of invoices of major maintenance is NIL as at March 31, 2017

(All figures are in lacs unless otherwise stated)

8 Equity Share Capital

		As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
(i)	**Authorised Capital:**			
	March 31, 2017: 7,60,00,000 Equity shares of Rs 10/- each	7,600.00	7,600.00	7,600.00
	March 31, 2016: 7,60,00,000 Equity shares of Rs 10/- each			
	March 31, 2015: 7,60,00,000 Equity shares of Rs 10/- each			
	Total	**7,600.00**	**7,600.00**	**7,600.00**
(ii)	**Issued, Subscribed and Paid-up Capital (Fully Paid-up):**			
	March 31, 2017: 2,61,13,062 Equity shares of Rs 10/- each	2,611.31	2,611.31	2,611.31
	March 31, 2016: 2,61,13,062 Equity shares of Rs 10/- each			
	March 31, 2015: 2,61,13,062 Equity shares of Rs 10/- each			
	Total	**2,611.31**	**2,611.31**	**2,611.31**

(iii) **Reconciliation of Number of Equity Shares Outstanding:**

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
Opening Balance	26,113,062	26,113,062	26,113,062
Addition during the period	-	-	-
	26,113,062	**26,113,062**	**26,113,062**

(iv) **Details of shares in the Company held by each shareholder holding more than 5% shares:**

Particulars	As at 31-Mar-17		As at 31-Mar-16		As at 01-Apr-2015	
	Number of Equity Shares	%	Number of Equity Shares	%	Number of Equity Shares	%
Ashoka Concessions Ltd	13,317,653	51.00%	13,317,653	51.00%	13,317,653	51.00%
Inda Infrastructure Fund	12,795,399	49.00%	12,795,399	49.00%	12,795,399	49.00%

The company is a subsidiary of Ashoka Concessions Ltd which is a subsidiary of Ashoka Buildcon Limited a company listed on the stock exchanges at BSE and NSE.

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

9 Other Equity

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
Security Premium Reserve	5,112.35	5,112.35	5,112.35
Capital Contribution (*)	10,588.94	10,588.94	10,588.94
Surplus / Retained Earnings	(20,010.96)	(17,369.57)	(14,875.60)
Other Comprehensive Income	(2.27)	(0.86)	0.32
Total	**(4,311.94)**	**(1,669.14)**	**826.01**

(*) Capital Contribution

(a) Guarantee Obligation :

On application of INDAS 109 " Financial Instruments" , the Company has accounted for Guarantee Obligation for the Corporate Guarantee given by Ashoka Buildcon Limited to the lenders for the financing of the Company. Therefore the Company has booked Deferred Guarantee Liability as at Transition date i.e., April 1, 2015 and the same is credited to Capital Contribution and shown under Other Equity.

(All figures are in lacs unless otherwise stated)

(b) Interest Free Loans:

On application of IND AS 32 " Financial Instruments : Presentation" , the Company has classified Interest free loan from Shareholders as Equity and thus the same is shown as Capital Contribution in Other Equity.

10 Financial Liabilities : Borrowings (at amortised cost)

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
	Non- Current			Current Maturities		
Non Convertible Debentures	15,895.00	16,490.00	16,745.00	595.00	255.00	255.00
Term loans-from Banks	14,399.00	14,938.00	15,169.00	539.00	231.00	231.00
Intercorporate Loans from Related Party	4,399.60	5,996.43	5,399.56			
Loan from Shareholders	8,163.87	7,370.27	6,634.80			
Less: disclosed in Other Current Liabilities				(1,134.00)	(486.00)	(486.00)
Total	**42,857.47**	**44,794.70**	**43,948.36**	**-**	**-**	**-**
Secured	30,294.00	31,428.00	31,914.00			
Unsecured	12,563.47	13,366.70	12,034.36			
Total	**42,857.47**	**44,794.70**	**43,948.36**	**-**	**-**	**-**

(i) **Non-Convertible debentures**

Redeemable Non Convertible Debentures are secured against the Movable properties including Plant &Machineries, Receivables, Intangible Assets & Company's interest in insurance Contracts except Project Assets.

Repayment Terms

Due for repayment in 132 monthly installments from April 01, 2015 in structured instalments upto March 2026, Interest is approximately 10.58%

(ii) **Term Loan from Banks**

The Loans from Banks are secured against the Movable properties including Plant &Machineries, Receivables, Intangible Assets & Company's interest in insurance Contracts except Project Assets.

Borrowing from banks have a floating interest rate and the present interest rate is 10.85%.

(iii) **Intercorporate Loan from Related Party**

The said loans are repayable on demand when there is surplus cash available with the company. Based on the management's assessment of repayment the same has been classified as non-current.

(iv) **Maturity Profile of term Loans is as follows:**

Maturity period	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
Repayment within one year from the end of the financial year	1,134.00	486.00	486.00
Repayment beyond one year to five years from the end of the financial year	9,882.00	7,776.00	5,508.00
Repayment beyond five years from the end of the financial year	20,412.00	23,652.00	26,406.00
Total	**31,428.00**	**31,914.00**	**32,400.00**
	-	-	-

(v) There has been no continuing default in repayments of loan instalments and interest in respect of loans outstanding as at March 31, 2017.

11 Provisions - Non Current

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
Provision for Scheduled Maintenance	1,272.36	323.54	4,016.08
Provision for Employee's Benefits:			
Provision for Unearaned Leave	2.48	1.01	0.63
Provision for Gratuity	2.14	-	-
Total	**1,276.98**	**324.55**	**4,016.70**

(i) **Provision for Scheduled Maintenance:**

The company makes provision for the Schedule Maintenance required to be carried out by it as an obligation under the concession agreement. The details of the provisions made are as follows:

Particulars	Periodic Maintenance	Opening	Provisions made during the period	Discounting as per IND AS	Provisions reversed / adjusted	Closing
April 1, 2015	PM1	3,805.40	1,293.70	-	1,083.02	**4,016.08**
March 31, 2016	PM1	4,016.08	357.35	-	4,373.43	**-**
March 31, 2016	PM2	-	541.73	(218.19)		**323.54**
March 31, 2017	PM2	323.54	1,369.60	(420.78)	-	**1,272.37**

During the previous year, the company has completed its 1st major maintenance (PM1) work at an aggregate cost of Rs. 54.56 crores as against the estimated of Rs. 59.04 crores. The excess provision of Rs. 4.48 crores has been reversed to the Statement of Profit / Loss account. The provision for the current schedule major maintenance (PM2) has been done based on fresh estimates of the estimated expenditures.

(ii) **Disclosure in accorance with Ind AS – 19 "Employee Benefits", of the Companies (Indian Accounting Standards) Rules, 2015.**

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

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

i) **The amount recognised in he balance sheet and the movements in the net defined benefit obligation in case of Gratuity over the year is as**

Particulars	As on March 31, 2017 (Rs.)	As on March 31, 2016 (Rs.)
a) Reconciliation of opening and closing balances of Defined benefit Obligation		
Defined Benefit obligation at the beginning of the year	5.08	2.54
Current Service Cost	1.80	1.14
Interest Cost	0.41	0.20
Premeasurement due to Experience Adjustment	1.35	1.19
Benefits paid		
Defined Benefit obligation at the year end	**8.63**	**5.08**
b) Reconciliation of opening and closing balances of fair value of plan assets		
Fair Value of plan assets at the beginning of the year	6.09	3.94
Interest Income	0.46	0.37
Actuarial Gain/ (Loss)	(0.06)	-
Employer Contribution	-	1.79
Actual Return on Plan Assets	6.49	6.09
c) Reconciliation of fair value of assets and obligations		
Fair Value of Plan Assets as at April 1, 2015	6.49	6.09
Present value of obligation as at March 31, 2016	8.63	5.08
Amount recognized in Balance Sheet	**(2.14)**	**1.02**
d) Expenses recognized during the year (Under the head " Employees Benefit Expenses)		
Current Service Cost	1.80	1.14
Interest Cost	0.41	0.20
Interest Income on Planned Assets	1.35	1.19
Defined Benefit Cost Charged to P&L	**3.55**	**2.53**
e) Total remeasurment included in Other Comprehensive Income	-	-

(All figures are in lacs unless otherwise stated)

ii) Actuarial assumptions

Particulars	As on March 31, 2017	As on March 31, 2016
Financial Assumptions:		
Discount rate (per annum)	7.50%	8.00%
Rate of escalation in salary (per annum)	7.00%	7.00%
Demographic Assumptions:		
Mortality Rate	100%	100%
Disability Rate	5%	5%
Withdrawal rate:	1%	1%
Retirement age	58 years	58 years
Average Future Service	23.80	24.69

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

There is no minimum funding requiremnt for a gratuity plan in india and there is no compulsion on the part of the company fully or partially pre-fund the liabilities under the plan.Since the liabilities are un funded there is no asset liability matching strategy devised for the plan

iii) Sensitivity analysis

A quantitative Sensitivity analysis for significant assumption as at 31 st March 2017

Scenario	Defined Befit Obligation (*)	%
Under Base Scenario	863,294	0.0%
Salary Escalation - up by 1%	1,041,172	20.6%
Salary Escalation - down by 1%	718,595	-16.8%
Withdrawal Rate-up by 1%	869,511	0.7%
Withdrawal Rate-down by 1%	854,549	-1.0%
Discount Rate- up by 1%	721,489	-16.4%
Discount Rate- down by 1%	1,040,915	20.6%

(*) for a change of 100 basis points from the assumed assumptions

v) Experience adjustments on Present Value of Defined Benefits Obligation and Plan Assets

Particulars	As on March 31, 2017	As on March 31, 2016
Liabilities		
(Gain) / Loss on Plan Liabilities	0.60	1.19
Percentage of Opening Plan Liabilities	11.81%	46.71%
Assets		
Gain / (Loss) on Plan Assets	0.04	1.00
Percentage of Opening Plan Liabilities	0.68%	0.00%

(All figures are in lacs unless otherwise stated)

ASHOKA

12 Other Non Current liabilities

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
Deffered Revenue- Capital Grant	673.55	719.08	762.01
Total	**673.55**	**719.08**	**762.01**

Capital Grant fron NHAI :-

Government Grant represent the Capital Grant provided by grantor i.e NHAI in terms of the Concession Agreement. On application of As per IND AS 20 " Accounting for Government grants and disclosure of Government Assistance " , Capital grant will be recognized in the statement of profit & loss account over the period of the operation beginning from the Commercial Operation Date (COD).

13 Trade Payables - Current

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
Trade Payables:			
Micro, Small & Medium Enterprises	-	-	-
Others	68.11	342.80	138.94
Total	**68.11**	**342.80**	**138.94**

(i) The balance of payables as per books of accounts are subject to reconciliations.

(ii) As per the intimation available with the Company, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

(iii) The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

14 Other Financial liabilities - Current

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
Current Maturities of Long-Term Debt	1,134.00	486.00	486.00
Interest accrued but not due on borrowings	144.62	154.25	156.48
Other Payables	33.11	30.21	10.22
Total	**1,311.73**	**670.46**	**652.70**

15 Provisions - Current

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
Provision for Employee's Benefits:			
Provision for Unearaned Leave	0.20	0.34	0.22
Total	**0.20**	**0.34**	**0.22**

16 Other current liabilities

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-2015
Duties & Taxes Payable	44.29	70.80	63.70
Total	**44.29**	**70.80**	**63.70**

(All figures are in lacs unless otherwise stated)

17 Revenue From Operations

Particulars	As at 31-Mar-17	As at 31-Mar-16
Toll Collection	5,720.69	5,921.99
Other Operating Revenue:	-	-
Grant Amortisation	45.53	42.93
Total	**5,766.22**	**5,964.92**

I **Disclosures as required by Appendix B of Ind AS 11 relating to "Service Concession Arrangements: Disclosures"**

(a) **Description of the Arrangement along with salient features of the project:**

The Ashoka Highways Bhandara Limited, the Company, is a Special Purpose Vehicle (SPV) incorporated on 15th March 2007 under the provisions of the Companies Act 1956 by Ashoka Buildcon Limited, in pursuance of the contract with National Highway Authority Limited (NHAI) to design, engineering, finance, construction, operation and maintenance of End of Durg Bypass -Chhatisgarh / Maharashtra Border Section from km 405.000 to km 485.000 of NH-6 under NHDP Phase IIIA on Build, Operate and Transfer (BOT) basis. The concession period is 20 (Twenty) Years including Construction period of 30 (Thirty) Months. The construction of the entire project has been sub-contracted to the parent company Ashoka Buildcon Limited as an EPC contractor.

(b) **Obligations of Operations and maintenance**

The Company is required to carry out operations and maintenance on the road annually with an obligation to carry out Period maintenance in terms of the Concession at regular intervals.

(c) **Changes to the Concession during the period**

No changes in the arrangement have occurred during the accounting period.

(d) **Classification of the Concession**

The Company has applied the principles enumerated in Appendix A of Ind AS – 11 titled "Service Concession Arrangement" and has classified the arrangement as a tolling arrangement resulting in recognition of an Intangible Asset.

(e) **Recognition of Construction services revenue and costs:**

The Company has completed the Construction activity in the February 2012, However the Company has applied INDAS 11"Service Concession Arrangement" retrospectively and has recognised margin on Construction activity and the same is debited to Intangible Assets and credited to Reserve and Surplus on the transition date.

18 Other Income

Particulars	As at 31-Mar-17	As at 31-Mar-16
Interest Received	2.62	-
Profit on Redemption current investments	29.64	66.41
Fair Value of Investment in Mutual Funds	-	0.17
Excess Provision Major Maintained	-	446.95
Interest Received on Income Tax	1.81	0.11
Interest Received EPC Advance	20.32	245.16
Miscellaneous Income	9.35	1.09
Total	**63.74**	**759.89**

19 Operating Expenses

Particulars	As at 31-Mar-17	As at 31-Mar-16
Consumption of Construction Materials	13.05	6.99
Routine Sub-contracting Charges	540.00	599.39
Provision for Perodic Maintained	875.78	1,124.38
Canteen Expenses	1.94	1.17
Written off Expends	-	0.05
Repair to Machineries	1.36	1.59
Insurance	19.11	13.77
Power & Fuel Water Charges	30.88	27.94
Technical Consultancy Charges	63.92	13.54
Bank Charges	0.51	0.07
Less: Reimbursement from NHAI for Suspension period (Refer note 5(ii))	(36.37)	-
Total	**1,510.18**	**1,788.89**

20 Employee Benefits Expenses

Particulars	As at 31-Mar-17	As at 31-Mar-16
Salaries, Wages and Allowances	167.86	146.52
Contribution to Provident and Other Funds	8.59	6.48
Staff Welfare Expenses	2.74	1.00
Less: Reimbursement from NHAI for Suspension period (Refer note 5(ii))	(8.43)	
Total	**170.76**	**154.00**

21 Finance Expenses

Particulars	As at 31-Mar-17	As at 31-Mar-16
Interest Expenses:		
On term Loans	3,281.74	3,479.39
On Others (*)	1,427.52	1,478.87
Financial Charges	86.77	18.53
Amortisation of Upfront fees	32.30	32.80
Bank Guarantee Charges	170.77	180.39
Less: Reimbursement from NHAI for Suspension period (Refer note 5(ii))	(214.19)	-
Total	**4,784.91**	**5,189.99**

(*)'The company has recognised interest expense payable to M/s Ashoka Buildcon limited, Ashoka Concessions Ltd. & Viva Highways Ltd. on the amounts received from them from time to time. The interest rate , being 1% more than the weighted average rate of the lenders is calculated on the daily outstanding balance and accordingly an amount of Rs. 1427.52 Lacs (P.Y. 1478.87 lacs) has been charged to interest expense.

22 Depreciation And Amortisation

Particulars	As at 31-Mar-17	As at 31-Mar-16
Depreciation on tangible fixed assets	31.31	42.66
Amortisation on intangible fixed assets	1,893.48	1,960.31
Total	**1,924.79**	**2,002.97**

23 Other Expenses

Particulars	As at 31-Mar-17	As at 31-Mar-16
Rent	0.24	(23.21)
Printing and Stationery	1.86	1.61
Travelling & Conveyance	11.10	4.89
Communication	0.65	0.53
Vehicle Running Charges	14.18	11.07
Legal & Professional Fees	44.86	79.42
Auditor's Remuneration:		
Audit and Tax Audit Fees	2.85	3.40
Certifications & other services	0.13	0.14
Advertisment Exp.	2.74	0.15
General Charges	3.16	2.50
Internet Charges	1.34	1.07
Survey Expenses	0.65	1.35
Less: Reimbursement from NHAI for Suspension period (Refer note 5(ii))	(3.04)	-
Total	**80.72**	**82.92**

24 Deferred Taxation

Provision for the deferred tax liability is not recognised since the timing difference (on account of excess of depreciation allowable under income tax law over depreciation as per books) originating in the current period is capable of reversal within the tax holiday period.

The company has not recognized Deferred Tax Asset arising on account of timing difference of loss carried forward under the Income Tax Act, in the books of accounts because there is no virtual certainty that sufficient future taxable income will be available against which such Deferred Tax Asset can be realized. As a matter of prudence, the Company has not recognized deferred tax asset on such losses.

25 Earnings Per Share ('EPS') :

Disclosure as required by Accounting Standard – IND AS 33 "Earning Per Share" of the Companies (Indian Accounting Standards) Rules 2015.

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

Particulars	2016-17	2015-16
Profit / (Loss) for the period (Rs in Lacs)	(2641.40)	(2493.96)
Outstanding equity shares at period end	26,113,062	26,113,062
Weighted average Number of Shares outstanding during the period – Basic	26,113,062	26,113,062
Weighted average Number of Shares outstanding during the period - Diluted	26,113,062	26,113,062
Earnings per Share - Basic (Rs Per Share)	(10.12)	(9.55)
Earnings per Share - Diluted (Rs Per Share)	(10.12)	(9.55)

B Reconciliation of weighted number of outstanding during the period:

Particulars	2016-17	2015-16
Nominal Value of Equity Shares (Rs Per Share)	10.00	10.00
Total number of equity shares outstanding at the beginning of the period	26,113,062	26,113,062
Add : Issue of Equity Shares during the period	0.00	0.00
Total number of equity shares outstanding at the end of period	26,113,062	26,113,062
Weighted average number of equity shares at the end of period- Basic	26,113,062	26,113,062
Weighted average number of equity shares at the end of period- Dilutive	26,113,062	26,113,062

ASHOKA HIGHWAYS BHANDARA LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2017
(All figures are in lacs unless otherwise stated)

26 Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

(A) List of Related Parties

(a) Parties where control exists
(i) Ashoka Buildcon Ltd. (Ultimate Holding Company)
(ii) Ashoka Concessions Ltd (Holding Company)
(iii) India Infrastructure Fund

(b) Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the
(i) Ashoka Technologies Private Limited
(ii) Viva Highways Limited

(B) Transactions during the period: **(Rs in Lacs)**

Nature of Transactions	Parties Where Control Exists	Associate	Total
O & M expenditure/EPC :			
Ashoka Buildcon Ltd.-EPC	-		-
	(4373.43)		(4373.43)
Ashoka Concessions Ltd: - O & M	540.00		540.00
	(599.39)		(599.39)
Interest Paid			
Ashoka Concessions Ltd	578.57		578.57
	(609.78)		(609.78)
VIVA Highways Ltd.	553.52		553.52
	(663.19)		(663.19)
Ashoka Buildcon Ltd.	295.43		295.43
	(205.83)		(205.83)
Interest Received			
Ashoka Buildcon Ltd.	20.32		20.32
	(245.16)		(245.16)
Loan Taken:			-
Ashoka Buildcon Ltd.	272.89		272.89
	(272.96)		(272.96)
Ashoka Concessions Ltd	520.71		520.71
	(485.69)		(485.69)
Viva Highways Ltd.	498.17		498.17
	(596.87)		(596.87)
Loan Repaid:			
Ashoka Buildcon Ltd.	-		-
	(23.18)		(23.18)
Reimbursement of Expenses:			-
Ashoka Technologies Pvt Ltd		7.03	7.03
		(1.98)	(1.98)
Ashoka Buildcon Ltd.	13.19		13.19
	(20.21)		(20.21)
Outstanding balance Payable			-
Ashoka Buildcon Ltd.	4,173.63		4,173.63
	(3900.75)		(3900.75)
Ashoka Concessions Ltd	9,771.90		9,771.90
	(9,251.18)		(9251.18)
Viva Highways Ltd.	-	4,399.60	4,399.60
	-	(5,996.43)	(5996.43)
India Infrastructure Fund	-	3,597.56	3,597.56
	-	(3,597.56)	(3597.56)
Ashoka Concessions Ltd - trade payable	-		-
	(48.27)		(48.27)
Outstanding balance receivable			
Ashoka Concessions Ltd	13.60		13.60
	-		-
Ashoka Buildcon Ltd.	-		-
	(238.43)		(238.43)

(All figures are in lacs unless otherwise stated)

Figures in Bracket ( ) are related to the comparative figures

27 Disclosure in accordance with Ind AS – 108 “Operating Segments”, of the Companies (Indian Accounting Standards) Rules, 2015.

Segment Information: As the company’s business activities falls within a single primary business segment viz. BOT Operations , and it operates in a single geographical segment i.e. India, the disclosure requirements of Accounting Standard (AS-17) “Segment Reporting” of the Companies (Accounting Standards) Rules, 2006

28 Derivative Instruments and Unhedged Foreign Currency Exposure

There are no derivative instruments outstanding as at March 31, 2017 and March 31, 2016 . The Company has no foreign currency exposure towards liability outstanding as at March 31, 2017 and March 31, 2016.

29 Legal disputes and Contingent liabilities

Particulars	**As at**	
	2016-17	**2015-16**
Liability against capital commitments Outstanding (net of advances)	2,489.48	2,489.48
Bank Guarantees issued by bankers from the parent Company Limits	5,000.00	5,000.00

30 In the opinion of the Board of Directors, all the assets other than fixed assets have value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

31 Significant accounting judgements, estimates and assumptions

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainity about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods .

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the separate financial statements.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. For plans operated outside India, the management considers the interest rates of high quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an ‘AA’ rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

32 First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2017, are the first the Company has prepared in accordance with Ind AS. For eighteen months periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards Companies (Accounting Standards) Rules 2006 notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2017 together with the comparative period data as at and for the eighteen months period ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at October 1, 2014, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2015 and the financial statements as at and for the year ended March 31, 2016.

33 Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has not applied any exemptions:

Corporate Guarantee: In the absence of information , the Company has computed the Guarantee Obligation existed as at the date of transition i.e., April 1, 2015.

34 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 IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment', 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 is currently evaluating the requirements of the amendment and has not yet determined the impact on the financial statements.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of 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 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 transaction 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 entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Company is currently evaluating the requirements of the amendment and has not yet determined the impact on the financial statements.

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ASHOKA HIGHWAYS (BHANDARA) LIMITED
CIN : U45203MH2007PLC168773

35 Ind AS 101 reconciliations

(All figures are in lacs unless otherwise stated)

A Effect of Ind AS adoption on the balance sheet

	Particulars	Notes	As at March 31, 2016			As at April 1, 2015		
			Previous GAAP	Effect of transition to Ind AS	As per Ind AS	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
1	**Non-Current Assets**							
	(a) Property, plant and equipment		67.34	0.00	67.34	86.08	0.00	86.08
	(b) Intangible assets	i	42,982.55	(358.97)	43,341.52	44,732.85	(568.97)	45,301.82
	(c) Intangible Asset under development	i	1,584.78	(41.88)	1,626.66	1,584.78	(41.88)	1,626.66
	(d) Financial assets		-	-	-	-	-	-
	(i) Investments		-	-	-	-	-	-
	(ii) Other financial assets		4.04	-	4.04	4.04	-	4.04
	(e) Other non-current assets	ii	35.34	(1,032.70)	1,068.04	12.39	(1,223.27)	1,235.66
							-	
	Total Non- Current Assets		**44,674.05**	**(1,433.54)**	**46,107.60**	**46,420.14**	**(1,834.12)**	**48,254.26**
2	**Current Assets**							
	(a) Financial assets		-	-	-	-	-	-
	(i) Investments	iii	1,267.60	(1.61)	1,269.21	458.42	(1.44)	459.86
	(ii) Trade receivables		-	-	-	-	-	-
	(iii) Cash and cash equivalents		37.89	-	37.89	19.24	-	19.24
	(iv) Bank balances other than (iii) above		-	-	-	-	-	-
	(v) Loan		-	-	-	-	-	-
	(vi) Other financial assets			-			-	
	(c) Other current assets	ii	259.63	(190.56)	450.19	4,093.08	(193.49)	4,286.57
	Total current assets		**1,565.12**	**(192.17)**	**1,757.29**	**4,570.75**	**(194.93)**	**4,765.68**
	Total Assets		**46,239.18**	**1,625.71**	**47,864.89**	**50,990.89**	**(2,029.05)**	**53,019.94**
	Equity							
	(a) Equity Share Capital		2,611.31	-	2,611.31	2,611.31	-	2,611.31
	(b) Other Equity		(13,093.20)	(11,424.06)	(1,669.14)	(10,740.25)	(11,566.26)	826.01
	Total equity	(0)	**(10,481.89)**	**(11,424.06)**	**942.17**	**(8,128.94)**	**(11,566.26)**	**3,437.32**
2	**Non- Current Liabilities**							
	(a) Financial Liabilities							
	(i) Borrowings	iv	54,173.92	9,379.22	44,794.70	53,327.58	9,379.22	43,948.36
	(ii) Trade payables		-	-	-	-	-	-
	(iii) Other financial liabilities		-	-	-	-	-	-
	(b) Provisions	vii	542.74	218.19	324.55	4,016.70	-	4,016.70
	(c) Deferred tax liabilities (Net)		-	-	-	-	-	-
	(c) Other non-current liabilities	v	920.00	200.92	719.08	920.00	157.99	762.01
	Total Non- Current Liabilities		**55,636.66**	**9,798.33**	**45,838.33**	**58,264.28**	**9,537.21**	**48,727.07**
3	**CURRENT LIABILITIES**							
	(a) Financial liabilities							
	(i) Borrowings		-	-	-	-	-	-
	(ii) Tı Trade payables		342.80	-	342.80	138.94	-	138.94
	(iii) Financial Gurantee liabilities		-	-	-	-	-	-
	(iv) C Other financial liabilities		670.46	-	670.46	652.70	-	652.70
	(b) Provisions		0.34	-	0.34	0.22	-	0.22
	(c) Current tax liabilities (Net)		-	-	-	-	-	-
	(d) Other current liabilities		70.80	-	70.80	63.70	-	63.70
	Total current liabilities		**1,084.40**	**-**	**1,084.40**	**855.55**	**-**	**855.55**
	Total liabilities		**56,721.06**	**9,798.33**	**46,922.73**	**59,119.83**	**9,537.21**	**49,582.62**
	Total equity and liabilities		**46,239.17**	**1,625.72**	**47,864.89**	**50,990.89**	**(2,029.05)**	**53,019.94**

B Effect of IND AS adoption on the Statement of Profit and Loss for the year ended March 31, 2016

	Particulars	Notes	Previous GAAP	Effect of transition to Ind AS	IND AS
1	Revenue from Operations	v	5,921.99	42.93	**5,964.92**
2	Other Income	vi	759.72	0.17	**759.89**
3	**Total Revenue (1+2)**		**6,681.71**	**43.10**	**6,724.81**
4	Expenses:				
	Operating Expenses	vii	2,010.54	(221.65)	**1,788.89**
	Employee Benefits Expenses	vi	155.19	(1.19)	**154.00**
	Finance Expenses	ii	4,993.04	196.95	**5,189.99**
	Depreciation and Amortisation	i	1,792.96	210.01	**2,002.97**
	Other Expenses		82.92	-	**82.92**
			9,034.65	**184.12**	**9,218.77**
5	**Profit before Exceptional, Extraordinary Items and Tax (3-4)**		**(2,352.94)**	**(141.02)**	**(2,493.96)**
6	Exceptional Items		-	-	**-**
7	**Profit before Tax (5-6)**		**(2,352.94)**	**(141.02)**	**(2,493.96)**
8	Tax Expense:		**-**	**-**	**-**
	Current Tax		-	-	**-**
	Deferred Tax		-	-	**-**
9	**Profit for the period (7-8)**		**(2,352.94)**	**(141.02)**	**(2,493.96)**
10	Other Comprehensive Income	vi	-	(1.19)	**(1.19)**
11	**Total comprehensive income for the period (9+10)**		**(2,352.94)**	**(142.21)**	**(2,495.15)**

C Reconciliation of total equity

Particulars	Notes	As at March 31, 2016	As at April 1, 2015
Total equity / shareholders' funds under previous GAAP		**(10,481.89)**	**(8,128.94)**
Adjustments on account of IND AS			
Revenue margin on Intangible Asset as per IND AS 11	i	1,477.92	1,477.92
Additional Amorisation of Intangibles on account of Fair Valuation of Intagibles as per IND AS 11	i	(643.54)	(433.53)
Accrual of Guarantee Obligation	ii	1,209.72	1,209.72
Reclassification on account of IND AS	iv	9,379.22	9,379.22
Grant Amortisation	v	200.92	157.99
Finance Charges	ii	(231.32)	(195.05)
Unwinding of Fair Valuation of CG	ii	(192.12)	(31.44)
Fair Valuation of Mutual Funds	iii	1.61	1.44
Discounting of Long term Provisions- PM	vii	221.65	-
Reclassification of Acturial gains (Gratuity) to OCI	vi	0.86	(0.32)
Other Comprehensive Income	vi	(0.86)	0.32
Total adjustment to equity		**11,424.06**	**11,566.26**
Total equity under Ind AS		**942.17**	**3,437.32**
As per Total Equity		**942.17**	**3,437.32**
		-	-

D Notes to effect of first time adoption

i) **Intangible Asset**

The Company has applied IND AS 11 " Service Concession Arrangement" retrospectively and thus Construction Margin is booked on the EPC cost. Intangible Asset and Reserves have been increased to that extent. Amount recognised as at April 1, 2015 is Rs 1044.38 lacs (Net of Additional amortisation) and Rs 834.38 lacs as at March 31, 2016.

ii) **Non Current Assets**

a) **Guarantee Obligation**

The Company has during the year accounted for Guranatee Obligation for the Corporate Gurantee given by Ashoka Buildcon Limited to the lenders for the financing the Company.Therefore the Company has booked Deferred Guarantee as at Transition date i.e., April 1, 2015. Deferred Guarantee accounted as at April 1, 2015 and as at March 31, 2016 amounts to Rs 1209.72 lacs.

b) **Upfront Fees**

As per IND AS 109 " Financial Instruments" , the Company has accounted its liability at amortised cost and therefore the upfront fees paid to the bankers are recognised in the financials at amortised cost.

iii) **FVTPL Financial assets**

Ind AS requires FVTPL investments to be measured at fair value. At the date of transition to Ind AS i.e., April 1, 2015 , difference between the instruments fair value and previous GAAP carrying amount has been recognised under retained earnings. On account of this adjustment the retained earning increased by 1.44 lacs as at April 1, 2015 and by Rs 1.61 lacs as at March 31, 2016.

iv) **Capital Contribution**

The Compay has classified Loan from Shareholders as Equity as per IND AS 32 " Financial Liabilities and Equity" and thus the same is added in Capital Contribution in Other Equity.

v) **Government Grant**

As per IND AS 20 " Accounting for Government grants and disclosure of Government Assistance " and IND AS 109" Financial Instruments " , the Grant received from National Highways Authority of India satisfies the Income approach criteria and therefore the Compnay has amortised the Grant received based on traffic count to Profit and Loss account every year.On account of this adjustment the retained earning increased by 157.99 lacs as at April 1, 2015 and by Rs 200.92 lacs as at March 31, 2016.

vi) **Defined benefit liabilities**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Accordingly 0.32 lacs has been adjusted in other comprehensive income from retained earnings as at April 01, 2015 and Rs 0.86 lacs as at March 31, 2016. As a result of this change, the retained earnings as at April 01, 2015 and profit for the year ended March 31, 2016 has been adjusted. There is no impact on the total equity as at 31 March 2016.

vii) **Provisions for Major Maintainance**

The Company has applied IND AS 37 " Provision, Contingent Liabilities and Contingent Assets " and recoganised the present value of Obligation in case of Major Maintainance @ EIR of the Compay.

(All figures are in lacs unless otherwise stated)

36 Financial instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2017, March 31, 2016 and April 1, 2015 is as follows:

Particulars	Carrying Value			Fair Value		
	March 31, 2017	March 31, 2016	October 1, 2014	March 31, 2017	March 31, 2016	October 1, 2014
Financial assets						
Amortized cost:						
Trade receivables	118.21	-	-	118.21	-	-
Cash and bank balances	204.15	37.89	19.24	204.15	37.89	19.24
Other financial assets	4.04	4.04	4.04	4.04	4.04	4.04
FVTPL						
Investment in Mutual fund FVTPL	-	1,269.21	459.86	-	1,269.21	459.86
Total Financial Assets	**326.40**	**1,311.14**	**483.14**	**326.40**	**1,311.14**	**483.14**
Financial liabilities						
Amortized cost:						
Financial liabilities- Borrowings	42,857.47	44,794.70	43,948.36	42,857.47	44,794.70	43,948.36
Other financials liabilities	1,311.73	670.46	652.70	1,311.73	670.46	652.70
Trade payable	68.11	342.80	138.94	68.11	342.80	138.94
Total Financial Liabilities	**44,237.31**	**45,807.96**	**44,739.99**	**44,237.31**	**45,807.96**	**44,739.99**

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, book overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Borrowings are carried at amortised Cost.

The fair value and amortised value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

37 **Fair Value Hierarchy**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

i) Recognised and measure at fair value

The Company has recognised outstanding financial instrument as on March 31, 2017 , March 31, 2016 and October 1, 2014 at fair

ii) Measure at amortized cost for which fair value is disclosed.

The Company has determined fair value of all its financial instruments measured at amortized cost by using Level 3 inputs.
The Company has determined fair value of all its financial instruments measured at amortized cost by using Level 3 inputs.

The following methods and assumptions were used to estimate the fair values:

i) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, and individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.

(All figures are in lacs unless otherwise stated)

ii) The fair value of loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model, Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

Particulars	Fair Value measurement using			
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at FVTPL				
Mutual funds - Growth plan	31-03-17	-	-	-
	31-03-16	1,269.21	-	-
	01-04-15	459.86	-	-

38 Financial Risk Management

The Company is in the business of four laning of Ashoka Highways (Durg) Limited section of National Highway in the State of Chhatisgarh on design, build, finance, operate and transfer basis. The nature of the business is capital intensive and the Company is exposed to traffic volume risks. BOT projects which the Company undertakes are capital intensive and have gestation periods ranging between 3 to 5 years; coupled with longer ownership periods of 20 years. Given the nature of the segments in which the company operates, "be it in" the Road Sector, it is critical to have a robust, effective and agile Risk Management Framework to ensure that the Company's operational objectives are met and continues to deliver sustainable business performance. Over the years, several initiatives have been taken by the Company to strengthen its risk management process.

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

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

i Business / Market Risk

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

ii Capital and Interest rate Risk:-

Infrastructure projects are typically capital intensive and require high levels of long-term debt financing. These factors include: timing and internal accruals generation; timing and size of the projects awarded; credit availability from banks and financial institutions; the success of its current infrastructure development projects. Besides, there are also several other factors outside its control. The Company's average cost of debt remains at 10% p.a approximately. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short term borrowing with floating interest rates.

iii Interest rate sensitivity

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

Particulars	**Increase/ Decrease in basis points**	**Effects on Profit before tax.**
		(Rs in Lacs)
March 31, 2017	+100	(439.91)
	-100	439.91
March 31, 2016	+100	(452.81)
	-100	452.81

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

iv Credit risk:-

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, and arises principally from the Company’s receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

Trade and Other Receivables:-

(i) The maximum exposure to the credit risk at the reporting date is primarily from trade and Other receivables amounting to Rs. 172.63 lacs as at March 31, 2017 and NIL as at March 31, 2016.

(ii) The credit risk from customers in the case of this project is very low as without payment of upfront toll the vehicles are not allowed to pass. However there are frequent local political issues which result in leakages which is a credit risk for the Company.

v Liquidity risk

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

(b) The company has outstanding borrowings of Rs 43,991.47 lacs as at March 31, 2017 and Rs 45,280.70 lacs as at March 31, 2016.

(c) The achievement of the projections in the traffic and the toll rates is critical for the liquidity to pay the lenders and to complete Routine and major maintenance activity within the prescribed schedule of NHAI.

(d) During the current year the companies’ working capital is negative resulting in insufficiency of Current Assets to meet the Current Obligation. Accordingly, liquidity risk is perceived. The Current Liabilities of the Company exceeds current Assets by 886.83 lacs as at March 31, 2017. These conditions indicate the existence of an uncertainty as to timing and realization of cash flow of the company. However with support of Holding Company from time to time the Management is confident to overcome the same in near future.

(e) **The Working Capital Position of the Company is given below :(Rs in lacs)**

Particulars	**As at March 31, 2017**	**As at March 31, 2016**
Cash and Cash Equivalent	19.18	14.02
Bank Balance	184.97	23.87
Investments in mutual Funds	-	1,269.21
Total	**204.15**	**1,307.10**

The table below provides details regarding the contractual maturities of significant financial liabilities : (Rs in lacs)

Particulars	Less than 1 year	1-2 year	3-5 years	More than 5 years	Total
As at March 31, 2017					
Financial Liabilities -Borrowings	1,134.00	1,782.00	8,100.00	32,975.47	43,991.47
Trade Payables	68.11	-	-	-	68.11
Other Financial Liabilities	1,311.73	-	-	-	1,311.73
As at March 31, 2016					
Financial Liabilities -Borrowings	486.00	1,134.00	6,642.00	37,018.70	45,280.70
Trade Payables	342.80	-	-	-	342.80
Other Financial Liabilities	670.46	-	-	-	670.46

vi Input cost risk

Raw materials, such as bitumen, stone aggregates cement and steel, need to be supplied continuously for Schedule Maintenance activities. As mentioned in the earlier paragraph of the business risk and the competition risk the input cost is a major risk to attend to ensure that the Company is able to maintain the project cost within the estimate projected to the lenders and the regulators. To mitigate this the company has sub-contracted the maintenance activity at a fixed price contract to its Ultimate holding Company.

vii Exchange risk

Since the operations of the company are within the country, the company is not exposed to any exchange risk directly. The company also does not take any foreign currency borrowings to fund its project and therefore the exposure directly to exchange rate changes is minimal.

However there are indirect effects on account of exchange risk changes, as the price of bitumen, which is a by-product of the crude, is dependent upon the landed price of crude in the country.

39 Capital management

For the purpose of the Company’s capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company’s capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The gearing ratio in the infrastructure business is generally high.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Long term borrowings	42,857.47	44,794.70	43,948.36
Other Non-current liabilities	673.55	719.08	762.01
Financial Liability Current -Trade Payable	68.11	342.80	138.94
Other financials liabilities-Current	1,311.73	670.46	652.70
Other Current Liabilities	44.29	70.80	63.70
Total Liabilities (A)	**44,955.15**	**46,597.84**	**45,565.69**
Less:			
Cash and Cash Equivalent	204.15	37.89	19.24
Other Bank Balances	-	-	-
Total Assets (B)	**204.15**	**37.89**	**19.24**
Net debt (A-B)	**44,751.00**	**46,559.95**	**45,546.45**
Equity including Other Equity	(1,700.64)	942.17	826.01
Capital and Net debt (C)	**43,050.36**	**47,502.11**	**46,372.46**
Gearing ratio (Net Debt/ Capital & Net Debt)	**96.20%**	**102.02%**	**101.81%**

In order to achieve this overall objective, the Company capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

(All figures are in lacs unless otherwise stated)

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2017 and 31 March 2016.

The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2017.

As per our report of even date

For Natvarlal Vepari & Co.	For and behalf of the Board of Directors of		
Chartered Accountants	Ashoka Highways (Bhandara) Limited		
Firm Registration No. 106971W			
Sd/-	Sd/-	Sd/-	Sd/-
Nuzhat Khan	Peeyush K Jain	Paresh C Mehta	Ashish A Katari
Partner	CFO	Director	Director
M.No: 124960		DIN : 03474498	DIN :00580763
Date: May 24, 2017	Date: May 24, 2017		
Place: Mumbai	Place: Mumbai		