INDEPENDENT AUDITOR'S REPORT

To the Members of
ASHOKA HIGHWAYS (BHANDARA) LIMITED

Report on the audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS financial statements of **ASHOKA HIGHWAYS (BHANDARA) LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. 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 Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

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

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

c) The Balance Sheet, the Statement of Profit and Loss, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

i. The company does not have any pending litigations which would impact its financial position except those disclosed in financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)

Sd/-

R. K. Agrawal
(Partner)
(M No. 085671)

Place: New Delhi
Date : 14th May, 2019

Annexure 'A'to the Independent Auditor's Report of ASHOKA HIGHWAYS (BHANDARA) LIMITED for the Year ended as on 31st March 2019

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date:-

i. a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

b. The Fixed Assets have been physically verified by the Management at regular Intervals and no material discrepancies were noticed on such verification.

c. The title deeds of immovable properties are held in the name of the Company.

ii. As the company is engaged in the business of infrastructure development, operations and its maintenance and there is no inventory in hand at any point of time, hence paragraph 3(ii) of the Order is not applicable to the company.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liabilities partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, reporting under clause (a) to (c) of Para 3(iii) are not applicable

iv. The Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185 and 186 of the Companies Act, 2013. Therefore the paragraph 3(iv) of the Order is not applicable to the company.

v. The Company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company.

vi. The Company is prima-facie maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

vii. a. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has been generally regular in depositing undisputed statutory dues including provident fund, employee state insurance, income tax, Cess & Goods & service Tax and other statutory dues during the year with the appropriate authorities. As on 31st March 2019, there are no undisputed statutory dues payables for period exceeding for a period more than six month from the date they become payable .

b. According to the information and explanation given to us, there are no dues of income tax, sales tax, Goods & Service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues which have not been deposited on account of dispute.

viii. During the year, the company has not defaulted in repayment of loans or borrowing to a bank or dues to debenture holder. The Company has not taken any loans or borrowings from Government or a financial institution.

ix. Money raised by way of term loans were applied for the purpose for which it was raised. The Company has not raised money by way of initial public offer or further public offer.

x. According to the information and explanation given to us by the management which have been relied by us, there were no frauds on or by the company noticed or reported during the period under audit.

xi. The company has not paid managerial remuneration, hence paragraph 3(xi) of the order is not applicable to the company.

xii. The Company is not a Nidhi Company and hence clause3 (xii) of the Companies (Auditor's Report) Order 2016 is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)

Sd/-
R. K. Agrawal
(Partner)
(M No. 085671)

Place: New Delhi
Date : 14th May, 2019

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in our Report of even date)

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

We have audited the internal financial controls over financial reporting of **ASHOKA HIGHWAYS (BHANDARA) LIMITED**("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)

Sd/-
R. K. Agrawal
(Partner)
(M No. 085671)

Place: New Delhi
Date : 14th May, 2019

ASHOKA HIGHWAYS BHANDARA LIMITED
CIN : U45203MH2007PLC168773
BALANCE SHEET AS AT MARCH 31, 2019

(₹ In Lakh)

Particulars	Note No.	As at 31-Mar-19	As at 31-Mar-18
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, plant and equipment	2	75.03	66.65
(b) Capital work-in-progress	2B	-	18.45
(c) Intangible assets	2A	35,619.43	38,757.64
(d) Intangible assets Under Development	2A	1,626.66	1,626.66
(e) Financial assets			
(i) Loans	3	4.15	4.10
(f) Other non-current assets	4	490.05	671.88
TOTAL NON-CURRENT ASSETS		**37,815.32**	**41,145.38**
2 CURRENT ASSETS			
(a) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	5	13.03	7.56
(iii) Cash and cash equivalents	6	1,004.40	1,297.76
(iv) Bank balances other than (iii) above	6	-	7.44
(v) Other financial assets	7	23.56	22.18
(b) Other current assets	8	203.08	207.68
TOTAL CURRENT ASSETS		**1,244.07**	**1,542.62**
TOTAL ASSETS		**39,059.39**	**42,688.00**
I EQUITY & LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	9	2,611.31	2,611.31
(b) Other Equity	10	(10,954.83)	(7,426.49)
Equity Attributable to Owners		**(8,343.52)**	**(4,815.18)**
2 NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	11	40,147.45	42,334.78
(b) Provisions	12	4,189.56	2,584.60
(c) Other non-current liabilities	13	519.71	574.05
TOTAL NON-CURRENT LIABILITIES		**44,856.72**	**45,493.43**
3 CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Trade payables	14	102.79	31.83
(ii) Other financial liabilities	15	2,231.64	1,911.12
(b) Other current liabilities	16	211.64	66.55
(c) Provisions	17	0.12	0.25
(d) Current tax liabilities		-	-
TOTAL CURRENT LIABILITIES		**2,546.19**	**2,009.75**
TOTAL LIABILITIES		**47,402.91**	**47,503.18**
TOTAL EQUITY AND LIABILITIES		**39,059.39**	**42,688.00**
Significant Accounting Policies	1		

As per our report of even date attached
For Gianender & Associates
Chartered Accountants
FRN: 04661N

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

Sd/-	Sd/-	Sd/-	Sd/-
R K Agrawal	**Ravindra M Vijayvargiya**	**Pooja Lopes**	**Anil S Gandhi**
Partner	Chief Financial Officer	Director & Company Secretary	Director
M.No: 085671		DIN : 08133373	DIN : 00112675

Date: 14th May, 2019
Place: New Delhi

Date: 14th May, 2019
Place: Mumbai

ASHOKA HIGHWAYS BHANDARA LIMITED
CIN : U45203MH2007PLC168773
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ In Lakh)

	Particulars	Note No.	For the year ended 31-Mar-19	For the year ended 31-Mar-18
I	**INCOME**			
	Revenue from Operations	18	6,734.15	6,472.86
	Other Income	19	103.61	95.19
	Total Income		**6,837.76**	**6,568.05**
II	**EXPENSES:**			
	Operating Expenses	20	1,883.32	1,740.24
	Employee Benefits Expenses	21	264.33	220.09
	Finance Expenses	22	4,896.66	4,843.36
	Depreciation and Amortisation	23	3,182.64	2,724.43
	Other Expenses	24	138.07	151.88
	Total Expenses		**10,365.02**	**9,680.00**
III	**Profit before Exceptional Items and Tax (I-II)**		**(3,527.26)**	**(3,111.95)**
IV	**Exceptional Items (Refer note 50)**		-	-
V	**Profit before Tax (III - IV)**		**(3,527.26)**	**(3,111.95)**
VI	**Tax Expense:**			
	Current Tax		-	-
	Deferred Tax		-	-
			-	-
VII	**Profit for the year (V - VI)**		**(3,527.26)**	**(3,111.95)**
VIII	**Other Comprehensive Income (OCI) :**			
	(a) Items not to be reclassified subsequently to profit or loss			
	Re-measurement gains/(losses)on defined benefit plans		(1.08)	(2.59)
	(b) Items to be reclassified subsequently to profit or loss		-	-
	Other Comprehensive Income		**(1.08)**	**(2.59)**
IX	**Total comprehensive income for the year (VII+VIII)**		**(3,528.34)**	**(3,114.54)**
X	**Earnings per Equity Shares of Nominal Value ₹ 10 each:**	26		
	Basic ₹ per share		**(13.51)**	**(11.92)**
	Diluted ₹ per share		**(13.51)**	**(11.92)**

As per our report of even date attached
For Gianender & Associates
Chartered Accountants
FRN: 04661N

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

Sd/-	Sd/-	Sd/-	Sd/-
R K Agrawal	**Ravindra M Vijayvargiya**	**Pooja Lopes**	**Anil S Gandhi**
Partner	Chief Financial Officer	Director & Company Secretary	Director
M.No: 085671		DIN : 08133373	DIN : 00112675

Date: 14th May, 2019
Place: Mumbai

Date: 14th May, 2019
Place: Mumbai

ASHOKA HIGHWAYS BHANDARA LIMITED
CIN : U45203MH2007PLC168773
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019 (₹ In Lakh)

Particulars	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Extraordinary Items and Taxation	**(3,527.26)**	(3,111.95)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation & Amortisation	3,182.64	2,724.43
Interest & Finance Income	(0.01)	(2.91)
Grant Amortisation	(51.22)	(48.28)
Profit on Sale of Mutual Fund	(51.49)	(43.15)
Provision for Periodic Maintainance	1,256.97	1,120.16
Interest, Commitment & Finance Charges	2,892.40	3,070.10
Interest on Group Company Loans	1,439.58	1,399.22
Finance Charges on carrying value of provisions - Schedule Maint.	347.45	188.53
Amortisation of Upfront fees	31.05	31.44
Amortisation of Guarantee	168.64	154.07
Operating Profit Before Changes in Working Capital	**5,688.75**	**5,481.66**
Adjustments for changes in Operating Assets & Liabilities:		
Decrease/(Increase) in Trade and other Receivables	(22.19)	91.85
Increase / (Decrease) in Trade and Operating Payables	212.56	(101.29)
Cash Generated from Operations	**5,879.12**	**5,472.22**
Income Tax Paid	1.57	2.03
NET CASH FLOW FROM OPERATING ACTIVITIES	**5,880.69**	**5,474.25**
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(34.36)	(59.09)
Purchase of Investments	(7,428.42)	(6,731.31)
Sale proceeds of Investments	7,479.91	6,774.46
Finance Income	0.46	2.91
Movement in Other Bank deposits	7.44	30.81
NET CASH CASH FLOW FROM INVESTING ACTIVITIES	**25.03**	**17.78**
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	-	-
Repayment of Borrowings	(2,434.00)	(1,134.00)
Interest, commitment & Finance Charges Paid	(3,765.08)	(3,226.17)
NET CASH FLOW FROM FINANCING ACTIVITIES	**(6,199.08)**	**(4,360.17)**
Net Increase In Cash & Cash Equivalents	**(293.36)**	**1,131.86**
Cash and Cash Equivalents at the beginning of the year	**1,297.76**	**165.90**
Cash and Cash Equivalents at the end of the year	**1,004.40**	**1,297.76**
	(293.36)	**1,131.86**
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Balances with Banks		
On current accounts	966.23	1,277.95
Cash on hand	38.17	19.81
Cash and cash equivalents for statement of cash flows	**1,004.40**	**1,297.76**

As per our report of even date attached
For Gianender & Associates
Chartered Accountants
FRN: 04661N

For and behalf of the Board of Directors of

Sd/-	Sd/-	Sd/-	Sd/-
R K Agrawal	**Ravindra M Vijayvargiya**	**Pooja Lopes**	**Anil S Gandhi**
Partner	Chief Financial Officer	Director & Company Secretary	Director
M.No: 085671		DIN : 08133373	DIN : 00112675

Date: 14th May, 2019
Place: New Delhi

Date: 14th May, 2019
Place: Mumbai

ASHOKA HIGHWAYS BHANDARA LIMITED
CIN : U45203MH2007PLC168773
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31,2019
(All figures are in ₹ lakh unless otherwise stated)

A Equity Share Capital

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of Shares	₹ in lakh	Number of Shares	₹ in lakh
Equity shares of INR 10 each issued, subscribed and fully paid				
Balance at the beginning of the reporting period	2,61,13,062	2,611.31	2,61,13,062	2,611.31
Changes in equity share capital during the year				
- issued during the reporting period	-	-	-	-
Balance at the end of Reporting period	**2,61,13,062**	**2,611.31**	**2,61,13,062**	**2,611.31**

B Other Equity

Particulars	Retained Earnings	Capital Contribution	Security Premium Reserve	Other Comprehensive Income	Total
Balance as at 31 March 2017	**(20,010.97)**	**10,588.94**	**5,112.35**	**(2.27)**	**(4,311.95)**
Profit for the year	(3,111.95)				(3,111.95)
Other comprehensive income/(loss) for the year				(2.59)	(2.59)
Balance as at 31 March 2018	**(23,122.92)**	**10,588.94**	**5,112.35**	**(4.86)**	**(7,426.49)**
Profit for the year	(3,527.26)				(3,527.26)
Other comprehensive income/(loss) for the year				(1.08)	(1.08)
Balance as at 31 March 2019	**(26,650.18)**	**10,588.94**	**5,112.35**	**(5.94)**	**(10,954.83)**

As per our report of even date
For Gianender & Associates
Chartered Accountants
Firm Registration No. 04661N

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

Sd/-
R K Agrawal
Partner
M.No: 085671

Sd/-
Ravindra M Vijayvargiya
Chief Financial Officer

Sd/-
Pooja Lopes
Director & Company Secretary
DIN : 08133373

Sd/-
Anil S Gandhi
Director
DIN : 00112675

Date: 14th May, 2019
Place: New Delhi

Date: 14th May, 2019
Place: Mumbai

Note:1 Statement of Significant Accounting policies and Other Explanatory Notes

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 End 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.

The financial statements were authorised for issue in accordance with a resolution of the directors on 14th May

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

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

The Company has necessary financial support from Holding Company and Ultimate Holding Company.

The financial statements are presented in INR and all the values are rounded of to the nearest lacs, except when otherwise indicated.

II Use of estimates

The preparation of the financial statememts 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 finacial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

III Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2019 :

Ind AS 116- Leases :

Ind AS 116 was issued on 30th March 2019. The Company is required to adopt Ind AS 116 Leases from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. The new lease Standard will supersede existing leases guidance, including Ind AS 17 Leases.Either a full retrospective application or a modified retrsopective application is required for annual period beginning on or after 1 April 2019

The Company is in the business of construction, operation and maintenance of road contract on DBFOT basis and is currently operating a completed road. It has income primarily from toll collection, contract revenue relating to utility work, interest on deposits and gain on sale of liquid mutual funds. The management believes that application of Ind AS 116 is not expected to have material impact on the financial statements.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this

IV Summary of significant accounting policies

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

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current / non current classification of assets and liabilities.

2 Revenue Recognition

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

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

i

The Company has adopted Ind AS 115 " Revenue from Contracts with Customers " with the date of initial application being April 1, 2018 . Ind AS 115, revenue from contracts with customers, mandatory for reporting period beginning on or after April 1, 2018 replaced existing revenue recognition requirements i.e Ind AS 18 Revenue Recognition and Ind AS 11 Construction Contracts. There were no significant adjustments required to the retained earnings as on April 1, 2018.

Accordingly, the policy for Revenue is amended as under:

The Company derives revenue primarily from toll collection and other miscellaneous construction contracts.Toll collections from the users of the infrastructure facility constructed by the Company under the Service Concession Arrangement is accounted for based on completion of the performance obligation which largely coincides with actual toll collection from the user. Revenue from sale of smart cards is accounted on recharge basis.
To recognize revenue, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligation in the contract, and (5) recognize revenue when a performance obligation is satisfied.

At contract inception, the Company assesses its promise to transfer services to a customer to identify separate performance obligations.. The Company applies judgment to determine whether each service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised services are combined and accounted as a single performance obligation. For performance obligations where control is transferred over time, revenue are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the services to be provided. The method for recognizing revenues and cost depends on the nature of the services rendered.

ii Interest income:

Interest Income is recognised on a time proportion basis taking into account the amount outstanding using Effective interest rate.

iii 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 Compnay 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 using revenue model.

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

11 Provisions, Contingent Liabilities and Contingent Assets

i Provisions

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

ii 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.

12 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

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:

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.

13 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.

14 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.

15 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.

Subsequent measurement

The measurement of financial assets & Liabilities depends on their classification, as described below:

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

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.

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2 Property Plant and Equipment

Details of Additions, Adjustments, Depreciation and Net Block - Asset class wise for 2018-19

Particulars	Land	Vehicles	Computer Assets	Office equipments	Furniture and fixtures	Total
Cost or valuation						
As at April 1, 2017	1.50	54.24	0.24	120.79	10.89	187.66
Additions				40.64		40.64
Sales/Disposals/Adjustments						-
As at 31 March 2018	**1.50**	**54.24**	**0.24**	**161.43**	**10.89**	**228.30**
Additions				52.81		52.81
Sales/Disposals/Adjustments						-
As at 31 March 2019	**1.50**	**54.24**	**0.24**	**214.24**	**10.89**	**281.11**
Depreciation						
As at April 1, 2017		39.42	0.20	79.91	8.07	127.60
Charge for the period		3.81	0.01	29.63	0.60	34.05
Sales/Disposals/Adjustments						-
As at 31 March 2018	**-**	**43.23**	**0.21**	**109.54**	**8.67**	**161.65**
Charge for the period		2.73	0.01	41.22	0.47	44.43
Sales/Disposals/Adjustments						-
As at March 31, 2019	**-**	**45.96**	**0.22**	**150.76**	**9.14**	**206.08**
Net Block Value						
At March 31, 2019	**1.50**	**8.28**	**0.02**	**63.48**	**1.75**	**75.03**
At March 31, 2018	**1.50**	**11.01**	**0.03**	**51.89**	**2.22**	**66.65**

2A Intangible Assets & Intangible Asset under development

Particulars	Intangible Asset-Concession	Intangible Assets Under Development	Total
Cost or valuation			
As at April 1, 2017	52,213.29	1,626.66	**53,839.95**
Additions			**-**
Sales/Disposals/Adjustments			**-**
As at 31 March 2018	**52,213.29**	**1,626.66**	**53,839.95**
Additions			**-**
Sales/Disposals/Adjustments			
As at March 31, 2019	**52,213.29**	**1,626.66**	**53,839.95**
Depreciation			
As at April 1, 2017	10,765.27	-	**10,765.27**
Charge for the period	2,690.38	-	**2,690.38**
Sales/Disposals/Adjustments			-
As at 31 March 2018	**13,455.65**	**-**	**13,455.65**
Charge for the period	3,138.21	-	**3,138.21**
Sales/Disposals/Adjustments			
As at March 31, 2019	**16,593.86**	**-**	**16,593.86**
Net Block Value			
As at March 31, 2019	**35,619.43**	**1,626.66**	**37,246.09**
As at March 31, 2018	**38,757.64**	**1,626.66**	**40,384.30**

2A(a) Impairment Assessment:

The company has carried out the assessment of impairment of its concession right based on the growth rate considered in financial closure model to the lenders though there is all round slowdown in economic activity in the Country. The traffic growth on the stretch was below the estimates considered under the financial closure agreement. However the management based on its expectation of pick-up in the traffic and meeting the projections over the concession period has not modified the projections for the purposes of amortisation of the intangible asset being BOT rights and for testing impairment.

2A(b) Arbitration related to Intangible Asset under development

Intangible assets under development represents costs spent by the company in respect of the 7.944 km of Forest Area for which the clearances are awaited to be received by the company. Pending receipts of the clearances and the completion of the works thereon, the cost pertaining to the balance portion is being continued and carried forward as Intangible assets under development and would be capitalised on completion.

The Company has received arbitration award against certain claims from NHAI, the company believes that, in view of all the revenues receivable by the company and the probability of claims being crystallized, the value of the intangible assets, including those included in the Intangible assets Under Development, are sufficiently covered and does not call for any impairment provision.

2B

Capital Work in Progress	As at March 31, 2019	As at March 31, 2018
Opening	18.45	-
Addition/(Capitalised) during the year	(18.45)	18.45
Closing	**-**	**18.45**

3 Loans - Non Current (₹ In Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Unsecured: Considered good (At amortised Cost)		
Security Deposits	4.15	4.10
Total :::::	**4.15**	**4.10**

4 Other Non Current Asset (₹ In Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Advance Tax & TDS (Net of Provision)	1.20	6.39
Unamortised portion of Upfront Fees & Guarantee Commission	486.12	663.22
Advance Gratuity	2.19	1.73
Capital Advance	0.54	0.54
Total :::::	**490.05**	**671.88**

5 Trade Receivables-Current (₹ In Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
(Unsecured, considered good at amortised cost)		
Toll collection receivable (ETC and POS)	13.03	7.56
Total :::::	**13.03**	**7.56**

i Expected Credit loss:-

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. Since the Company does not have trade receivable except for Claim for demonitisation period and other small regular receivable , no expected credit loss is being provided.

6 Cash and cash equivalents (₹ In Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
(A) Cash & Cash Equivalents		
(I) Cash on hand	38.17	19.81
(II) Balances with Banks		
On Current account	966.23	1,277.95
Sub Total :::::	**1,004.40**	**1,297.76**
(B) Other Bank Balances		
Deposits with Remaining maturity more than 3 months and less than 12 months	-	7.44
Sub Total :::::	**-**	**7.44**
Total :::::	**1,004.40**	**1,305.20**

7 Other Financial Asset - Current (₹ In Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Interest receivable	-	0.45
Advance recoverable in Cash or kind	2.22	0.39
Receivable from NHAI on account of Suspension period	21.34	21.34
Total :::::	**23.56**	**22.18**

ii Reimbursement from NHAI for Suspension period

Note (*) :- During the year 2016-17, the Company has received 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 , ₹ 114.51 Lakhs was outstanding of which the Company has received ₹ 44.51 Lakhs and ₹ 48.65 Lakhs is written off based on the amount certified by Independent engineer in the year 2016-17. The Management is hopeful of receiving the balance amount of ₹ 21.34 Lakhs as certified by the Independent Engineer.

8 Other Current Asset (₹ In Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Prepaid Expenses	24.45	19.09
VAT Refund Receivable	17.24	4.61
Current portion of unamortised Guarantee and Upfront fees	161.39	183.98
Total :::::	**203.08**	**207.68**

9 Equity Share Capital

(I) Authorised Capital:

Class of Shares	Par Value (₹)	As at 31-Mar-19		As at 31-Mar-18	
		No. of Shares	Amount (₹ In Lakh)	No. of Shares	Amount (₹ In Lakh)
Equity Shares	10.00	7,60,00,000	7,600.00	7,60,00,000	7,600.00
Total :::::			**7,600.00**		**7,600.00**

(II) Issued, Subscribed and Paid-up Capital (Fully Paid-up):

Class of Shares	Par Value (₹)	As at 31-Mar-19		As at 31-Mar-18	
		No. of Shares	Amount (₹ In Lakh)	No. of Shares	Amount (₹ In Lakh)
Equity Shares	10.00	2,61,13,062	2,611.31	2,61,13,062	2,611.31
Total :::::			**2,611.31**		**2,611.31**

(III) Terms/rights attached to equity shares:

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 ₹ 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.

There were no instances of shares being issued / allotted by way of bonus shares or for consideration other than cash and no shares have been bought back by the company during the period of five years immediately preceding the date the balance sheet.

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.

(IV) Reconciliation of Number of Shares Outstanding:

Class of Shares	As at 31-Mar-19	As at 31-Mar-18
	Equity Shares	Equity Shares
Outstanding as at beginning of the	2,61,13,062	2,61,13,062
Addition during the period	-	-
Matured during the period	-	-
Outstanding as at end of the period	**2,61,13,062**	**2,61,13,062**

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

Class of Shares	As at 31-Mar-19	As at 31-Mar-19	As at 31-Mar-18	As at 31-Mar-18
	Equity Shares	%	Equity Shares	%
Ashoka Concessions Ltd	1,33,17,653	51.00%	1,33,17,653	51.00%
Inda Infrastructure Fund	1,27,95,399	49.00%	1,27,95,399	49.00%

10 Other Equity (₹ In Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Security Premium Reserve	5,112.35	5,112.35
Capital Contribution (*)	10,588.94	10,588.94
Surplus / Retained Earnings	(26,650.18)	(23,122.92)
Other Compressive Income	-5.94	(4.86)
Gross Total ::::	**(10,954.83)**	**(7,426.49)**

(*) **Capital Contribution**

(a) **Guarantee Obligation :**

On application of INDAS 109 " Financial Instruments" , the Company has accounted for Guranatee 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.

(b) **Interest Free Loans:**

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

11 Borrowings - Non Current **(₹ In Lakh)**

Particulars	As at 31-Mar-19	As at 31-Mar-18
(A)Secured - at amortized cost		
(i) Non Convertible Debentures	13,855.00	14,960.00
(ii)Term loans - from banks	11,899.00	13,552.00
Sub Total ::::	**25,754.00**	**28,512.00**
(B)Unsecured - at amortized cost		
(i) Intercorporate deposit from related parties	4,531.92	4,840.60
(iii) Loans from Shareholders	9,861.53	8,982.17
Sub Total ::::	**14,393.45**	**13,822.78**
Gross Total ::::	**40,147.45**	**42,334.78**

(i) **Terms of Repayments:**

Sr. No.	Particulars of Lender	Nature of Loan	EMI Amount (In Rs Lakh)	Mode of Repayment	Interest Type	Rate of Interest	Maturity Date
1	India Infradebt limited	Non Convertible Debenture	Structured monthly installment ending in March 2026	132 monthly instalment from April 1, 2015 in structured instalment up to March 2026	Fixed interest	10.58%	March 2026
	Nature of Security	Secured against movable properties including Plant and Machinery, Receivables, Intangible Assetsand Company's interest in insurance contract except project Assets					
2	ICICI Bank	Term Loans	Structured monthly installment ending in March 2026	132 monthly instalment from April 1, 2015 in structured instalment up to March 2026	Variable Interest	MCLR (1 year) + 0.9%	March 2026
	Nature of Security	Secured against movable properties including Plant and Machinery, Receivables, Intangible Assetsand Company's interest in insurance contract except project Assets					

(ii) **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.

(iii) **Maturity Profile of term Loans and Non Convertible Debenture is as follows:**

Maturity period	As at 31-Mar-19	As at 31-Mar-18
Repayment within one year from the end of the financial year	2,106.00	1,782.00
Repayment beyond one year to five years from the end of the financial year	16,686.00	13,284.00
Repayment beyond five years from the end of the financial year	9,068.00	15,228.00
Total	**27,860.00**	**30,294.00**

(iv) There has been no continuing default in repayments of loan instalments and interest in respect of loans outstanding as at March 31, 2019.

12 Provisions - Non Current **(₹ In Lakh)**

Particulars	As at 31-Mar-19	As at 31-Mar-18
Provision for Scheduled Maintenance	4,185.45	2,581.04
Provision for Employee's Benefits:		
Provision for Unearaned Leave	4.11	3.56
Total ::::	**4,189.56**	**2,584.60**

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

The company makes provision for the periodic 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 Maintainance	Opening	Provisions made during the period	Provisions reversed / adjusted during the period	Closing
March 31, 2019	PM2	2,581.04	1,604.41	-	4185.45
March 31, 2018	PM2	1,272.36	1,308.68	-	2581.04

(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 the balance sheet and the movements in the net defined benefit obligation in case of Gratuity over

Particulars	As at 31-Mar-19	As at 31-Mar-18
a) Reconciliation of		
Defined Benefit obligation at the beginning of the year	14.24	8.63
Current Service Cost	3.12	2.65
Interest Cost	1.06	0.65
Remeasurement due to Experience Adjustment	0.95	2.33
Benefits paid	0.25	0.02
Defined Benefit obligation at the year end	**19.12**	**14.24**
b) Reconciliation of		
Fair Value of plan assets at the beginning of the year	15.98	6.49
Interest Income	1.40	0.82
Remeasurement due to Return on Assets	(0.13)	(0.26)
Other (Employee Contribution, Taxes, Expenses)	(0.25)	-
Employer Contribution	4.31	8.93
Actual Return on Plan Assets	**21.31**	**15.98**
c) Reconciliation of fair		
Fair Value of Plan Assets	21.31	15.98
Present value of obligation	19.12	14.24
Amount recognized in Balance Sheet	**(2.19)**	**(1.74)**
d) Expenses recognized		
Current Service Cost	3.12	2.65
Interest Cost	1.06	0.65
Interest Income on Planned Assets	1.40	0.82
Defined Benefit Cost Charged to P&L	**2.78**	**2.48**
e) Total remeasurment included in Other Comprehensive Income	-	-

ii) Actuarial assumptions

Particulars	As at 31-Mar-19	As at 31-Mar-18
Financial Assumptions:		
Discount rate (per annum)	7.72%	7.50%
Rate of escalation in salary (per annum)	7.00%	7.00%
Demographic		
Mortality Rate	100%	100%
Disability Rate	0%	0%
Withdrawal rate:	1%	1%
Retirement age	58 years	58 years
Average Future Service	22.0	23.8

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 partialy pre-fund the liabilities under the plan.Since the liabilites are un funded there is no asset liability matching strategy devised for the plan

iii) Sensitivity analysis

A quantitative Sensitivity analysis for significant assumption.

Scenario	Defined Befit Obligation (*)	%	Defined Befit Obligation (*)	%
	2018-19		2017-18	
Under Base Scenario	19,12,177	0.00 %	14,24,288	0.00 %
Salary Escalation - up by 1%	22,64,721	18.40 %	17,07,487	19.90 %
Salary Escalation - down by 1%	16,21,410	(15.20)%	11,93,528	(16.20)%
Withdrawal Rate-up by 1%	19,30,687	1.00 %	14,33,961	0.70 %
Withdrawal Rate-down by 1%	18,90,038	(1.20)%	14,12,952	(0.80)%
Discount Rate- up by 1%	16,33,313	(14.60)%	12,02,129	(15.60)%
Discount Rate- down by 1%	22,54,730	17.90 %	17,00,915	19.40 %

(*) 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 at 31-Mar-19	As at 31-Mar-18
Liabilities		
(Gain) / Loss on Plan Liabilities	1.64	2.33
Percentage of Opening Plan Liabilities	11.51%	27.01%
Assets		
Gain / (Loss) on Plan Assets	(0.13)	(0.26)
Percentage of Opening Plan Liabilities	(0.80)%	(3.96)%

13 Other Non Current liabilities (₹ In Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Deffered Payment Grant	519.71	574.05
Total ::::	**519.71**	**574.05**

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).

14 Trade Payables - Current (₹ In Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Trade Payables:		
Micro, Small& Medium Enterprises	-	-
Due to Employees	34.36	-
Related Parties	41.31	-
Others	27.12	31.83
Total ::::	**102.79**	**31.83**

(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.

15 Other Financial liabilities - Current (₹ In Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Current Maturities of Long-Term Debt	2,106.00	1,782.00
Interest Accrued but not due	124.71	128.48
Other Payables	0.93	0.64
Total ::::	**2,231.64**	**1,911.12**

16 Other current liabilities (₹ In Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Duties & Taxes	157.30	15.33
Deffered Payment Grant	54.34	51.22
Total ::::	**211.64**	**66.55**

17 Provisions - Current **(₹ In Lakh)**

Particulars	As at 31-Mar-19	As at 31-Mar-18
Provision for Unearaned Leave	0.12	0.25
Total ::::	**0.12**	**0.25**

18 Revenue From Operations **(₹ In Lakh)**

Particulars	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
Toll Collection	6,734.15	6,472.86
Total :::::	**6,734.15**	**6,472.86**

I **Disclosures as required by Appendix E of Ind AS 115 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 SPV has toll collection rights during the concession period. 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 D of Ind AS – 115 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 115 "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.

19 Other Income **(₹ In Lakh)**

Particulars	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
Interest on Bank Deposits	0.01	2.91
Interest on Others	0.39	0.16
Profit on sale of Current Investments	51.49	43.15
Grant Amortisation	51.22	48.28
Miscellaneous Income	0.50	0.68
Total :::::	**103.61**	**95.19**

20 Operating Expenses **(₹ In Lakh)**

Particulars	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
Consumption of Construction Materials	3.28	4.51
Sub-contracting Charges	508.19	487.17
Repair to Machineries & Hire Charges	2.13	2.15
Power & Water Charges	20.14	25.61
Technical Consultancy Charges	72.90	72.36
Periodic Maintenance	1,256.97	1,120.16
Insurance	19.71	28.28
Total :::::	**1,883.32**	**1,740.24**

21 Employee Benefits Expenses **(₹ In Lakh)**

Particulars	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
Salaries, Wages and Allowances	249.55	208.18
Contribution to Provident and Other Funds	11.80	10.22
Staff Welfare Expenses	2.98	1.69
Total :::::	**264.33**	**220.09**

22 Finance Expenses **(₹ In Lakh)**

Particulars	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
Interest on Loans	2,867.66	3,062.01
Interest on Others (*)	1,439.58	1,399.22
Finance Charges on carrying value of provisions - Schedule Maintainance	347.45	188.53
Amortisation of Upfront Fees	31.05	31.44
Amortisation of Guarantee Commission	168.64	154.07
Bank Guarantee charges	24.73	8.09
Processing Fees	17.55	-
Total :::::	**4,896.66**	**4,843.36**

(*)'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 **₹ 1439.58 Lakhs (P.Y. ₹ 1399.22 Lakhs)** has been charged to interest expense.

23 Depreciation And Amortisation **(₹ In Lakh)**

Particulars	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
Depreciation on tangible Property , Plant and Equipment	44.43	34.04
Amortisation on Intangible Assets	3,138.21	2,690.38
Total :::::	**3,182.64**	**2,724.43**

24 Other Expenses **(₹ In Lakh)**

Particulars	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
Rent Rates & Taxes	0.56	3.28
Printing and Stationery	2.89	2.04
Travelling & Conveyance	7.97	20.34
Survey Expenses	1.13	0.69
Internet Charges	1.33	0.72
Communication	0.66	0.62
Vehicle Running Charges	18.53	18.43
Legal & Professional Fees	89.00	42.89
Director's Sitting Fee	1.00	1.60
Auditor's Remuneration:		
Audit and Tax Audit Fees	3.06	3.26
Certifications & other services	-	-
Marketing & Advertisement Expenses - Net	2.23	4.10
Miscellaneous Expenses	3.39	2.93
Exchange Loss	-	0.14
Bad Debts written off	5.75	48.63
Bank Charges	0.57	2.22
Total :::::	**138.07**	**151.88**

25 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.

26 Earnings Per Share ('EPS') :

Disclosure as required by Accounting Standard – IND AS 33 "Earning Per Share" of the Companies (Indian Accounting

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	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
Profit / (Loss) for the period (Rs in Lakhs)	(3527.26)	(3111.95)
Outstanding equity shares at period end	2,61,13,062	2,61,13,062
Weighted average Number of Shares outstanding during the period – Basic	2,61,13,062	2,61,13,062
Weighted average Number of Shares outstanding during the period - Diluted	2,61,13,062	2,61,13,062
Earnings per Share - Basic (Rs Per Share)	(13.51)	(11.92)
Earnings per Share - Diluted (Rs Per Share)	(13.51)	(11.92)

B Reconciliation of weighted number of outstanding during the period:

Particulars	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
Nominal Value of Equity Shares (Rs Per Share)	10.00	10.00
Total number of equity shares outstanding at the beginning of the period	2,61,13,062	2,61,13,062
Add : Issue of Equity Shares during the period	-	-
Total number of equity shares outstanding at the end of period	2,61,13,062	2,61,13,062
Weighted average number of equity shares at the end of period- Basic	2,61,13,062	2,61,13,062
Weighted average number of equity shares at the end of period- Dilutive	2,61,13,062	2,61,13,062

27 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 reporting enterprise;
  (i) Ashoka Technologies Private Limited
  (ii) Viva Highways Limited
  (iii) Ashoka Highways Durg Limited

(B) Transactions during the period:

(₹ In Lakh)

Nature of Transactions	Description	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
O & M Expenditure/EPC:			
Ashoka Concessions Limited	Parties where control exists	504.78	482.92
Assets Purchases:			
Ashoka Technologies Pvt Limited	Associate	-	1.27
Reimbursement of Expenses			
Ashoka Buildcon Limited	Parties where control exists	29.83	8.63
Interest Expenses			
Ashoka Concessions Limited	Parties where control exists	644.06	601.44
VIVA Highways Limited	Fellow Subsidiary	465.91	489.99
Ashoka Buildcon Limited	Parties where control exists	329.61	307.79
Consultancy charges			
Ashoka Concessions Limited	Parties where control exists	15.58	15.58
Loan Repayment:			
VIVA Highways Limited	Parties where control exists	728.00	-
Paid on behalf of Company			
Ashoka Highway Durg Limited	Fellow Subsidiary	1.00	1.93

(C) Outstanding Balances as on 31.03.2019:

(₹ In Lakh)

Nature of Transactions	Description	As at 31-Mar-19	As at 31-Mar-18
Loan Outstanding			
Ashoka Buildcon Limited	Parties where control exists	4,747.29	4,450.65
Ashoka Concessions Limited	Parties where control exists	10,892.84	10,313.19
VIVA Highways Limited	Fellow Subsidiary	4,531.92	4,840.60
India Infrastructure Fund	Parties where control exists	3,597.56	3,597.56
For Trade Payables:			
Ashoka Technologies Pvt Limited	Parties where control exists	-	0.06
Ashoka Buildcon Limited	Parties where control exists	3.06	-
Ashoka Concessions Limited	Parties where control exists	42.50	-
Outstanding balance receivable			
Ashoka Buildcon Limited	Parties where control exists	-	0.09
Ashoka Highways (Durg) Limited	Parties where control exists	-	0.29

Transactions pertaining to contract expenses with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured . This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

28 Disclosure in accordance with Ind AS – 108 "Operating Segments", of the Companies (Indian Accounting Standards) Rules, 2015

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

29 Derivative Instruments and Unhedged Foreign Currency Exposure

There are no derivative instruments outstanding as at March 31, 2019 and March 31, 2018 . The Company has no foreign currency exposure towards liability outstanding as at March 31, 2019 and March 31, 2018.

30 Legal disputes and Contingent liabilities (₹ In Lakh)

Particulars	As at Mar'19	As at Mar'18
Liability against capital commitments Outstanding (net of advances)	2,489.48	2,489.48
Bank Guarantees issued by bankers from the parent Company Limits	5,426.00	5,426.00

31 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.

32 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

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.

33 Financial instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2019, March 31, 2018.

(₹ In Lakh)

Particulars	Carrying Value		Fair Value	
	March 31, 2019	**March 31,**	**March 31, 2019**	**March 31, 2018**
Financial assets at Amortized Cost:				
Trade receivables	13.03	7.56	13.03	7.56
Cash and bank balances	1,004.40	1,305.20	1,004.40	1,305.20
Loans	4.15	4.10	4.15	4.10
Other financial assets	23.56	22.18	23.56	22.18
FVTPL	-	-	-	-
Total Financial Assets	**1,045.14**	**1,339.04**	**1,045.14**	**1,339.04**
Financial liabilities at Amortized Cost:				
Financial liabilities- Borrowings	40,147.45	42,334.78	40,147.45	42,334.78
Other financials liabilities	2,231.64	1,911.12	2,231.64	1,911.12
Trade payable	102.79	31.83	102.79	31.83
Total Financial Liabilities	**42,481.88**	**44,277.73**	**42,481.88**	**44,277.73**

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.

34 **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

There is no outstanding financial instrument as on March 31, 2019 which are measured at fair value.

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

The Company has determined fair value of all its financial instuments 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.

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.

35 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:

(₹ In Lakh)

Particulars	**Increase/ Decrease in basis points**	**Effects on Profit before tax.**
March 31, 2019	+100	(422.53)
	-100	422.53
March 31, 2018	+100	(441.17)
	-100	441.17

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:-

(a) The maximum exposure to the credit risk at the reporting date is primarily from trade and Other receivables amounting to ₹ 36.59 lakhs as at March 31, 2019 and ₹ 29.74 lakhs as at March 31, 2018.

(b) 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

(b) The company has outstanding borrowings of ₹ 42253.45 Lakhs as at March 31, 2019 and ₹ 44,116.77 Lakhs as at March 31, 2018.

(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 maintainance 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 ₹ 1302.12 Lakhs as at March 31, 2019. 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 :** **(₹ In Lakh)**

Particulars	**As at 31-Mar-19**	**As at 31-Mar-18**
Cash and Cash Equivalent	1,004.40	1,297.76
Other Bank Balance	-	7.44
Other financial assets	23.56	22.18
Trade receivables	13.03	7.56
Other Current Assets	203.08	207.68
Total	**1,244.07**	**1,542.62**
Less:		
Trade payables	102.79	31.83
Other financial liabilities	2,231.64	1,911.12
Other current liabilities	211.64	66.55
Provisions	0.12	0.25
Total	**2,546.19**	**2,009.75**
Net Working Capital	**(1,302.13)**	**(467.14)**

Maturity Profile of Borrowings

The table below provides details regarding the contractual maturities of significant financial liabilities : **(₹ In Lakh)**

Particulars	**within 1 year**	**2 year**	**3-5 years**	**More than 5 years**	**Total**
As at March 31, 2019					
Financial Liabilities -Borrowings	2,106.00	2,754.00	13,932.00	23,461.45	42,253.45
Trade Payables	102.79	-	-	-	102.79
Other Financial Liabilities	125.64	-	-	-	125.64
As at March 31, 2018					
Financial Liabilities -Borrowings	1,782.00	2,106.00	11,178.00	29,050.78	44,116.78
Trade Payables	31.83	-	-	-	31.83
Other Financial Liabilities	129.12	-	-	-	129.12

vi Input cost risk

Raw materials, such as bitumen, stone aggregates cement and steel, need to be supplied continuously for Schedule Maintainance 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 maintainance 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.

36 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. The net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents and Other Bank Balances.

(₹ In Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Long term borrowings	40,147.45	42,334.78
Other Non-current liabilities	519.71	574.05
Financial Liability Current -Trade Payable	102.79	31.83
Other financials liabilities-Current	2,231.64	1,911.12
Other Current Liabilities	211.64	66.55
Total Liabilities (A)	**43,213.23**	**44,918.33**
Less:		
Cash and Cash Equivalent	1,004.40	1,297.76
Other Bank Balances	-	7.44
Total Assets (B)	**1,004.40**	**1,305.20**
Net debt (A-B)	**42,208.83**	**43,613.13**
Equity including Other Equity	(8,343.52)	(4,815.18)
Capital and Net debt (C)	**33,865.31**	**38,797.95**
Gearing ratio (Net Debt/ Capital &	**80.23%**	**88.96%**

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.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

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, 2019.

As per our report of even date attached
For Gianender & Associates
Chartered Accountants
FRN: 04661N

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

Sd/-

R K Agrawal
Partner
M.No: 085671

Sd/-

Ravindra M Vijayvargiya
Chief Financial Officer

Sd/-

Pooja Lopes
Director &
Company Secretary
DIN : 08133373

Sd/-

Anil S Gandhi
Director
DIN : 00112675

Date: 14th May, 2019
Place: New Delhi

Date: May 14, 2018
Place: Mumbai