Independent Auditor's Report

To
The Board of Directors
Jharkhand Accelerated Road Development Company Limited

We have audited the accompanying special purpose financial statement which comprise the Balance Sheet as at March 31,2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, summary of the significant accounting policies and other explanatory information and Hyperion Package, which comprises of all the appendices and other deliverables as listed in the referral instructions (GRI) (referred to as the "Reporting Package") of Jharkhand Accelerated Road Development Company Limited (the component) a subsidiary of Infrastructure Leasing & Financing Services limited as of March 31, 2018 and for the year then ended. This special purpose financial statement and Reporting Package has been prepared by the management of the component, in accordance with the Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India(as stated in the GRI issued by the management of ITNL).

Management's responsibility for the Special purpose financial statement and Reporting Package

Management is responsible for the preparation and presentation of the special purpose financial statement and Reporting Package in accordance with the Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, other accounting principles generally accepted in India, policies & instructions as mentioned in the GRI and the formats of special purpose financial statements and Reporting Package issued by the management of the company to the components, and for such internal control as management determines is necessary to enable the preparation of special purpose financial statement and Reporting Package that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibility

Our responsibility is to express an opinion on the special purpose financial statement and Reporting Package based on our audit. We conducted our audit in accordance with the instructions issued by ITNL management, Group Audit Instructions issued by SRBC & CO LLP (parent company auditors) and in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act 2013.Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the special purpose financial statement and Reporting Package are free of material misstatement. As requested by you, we planned and performed our audit using the component materiality specified in your instructions of INR 11.75 Crores, which is different from the materiality level that we would have used, had we been designing the audit to express an opinion on the financial statements of the component alone.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the special purpose financial statement and Reporting Package. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the special purpose financial statement and Reporting Package, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the component's preparation and presentation of the special purpose financial statement and Reporting Package in order to design audit procedures that are appropriate in the circumstances. An audit also` includes the evaluation of the appropriateness of accounting policies used and the reasonableness of accounting estimate made by management, as well as evaluating the overall presentation of the purpose financial statement and Reporting Package.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Special purpose financial statements and Reporting Package. The conclusions reached in forming our opinion are based on the component materiality specified by you in the context of the audit of the group financial statements.

CHANDER & ASSOCIATES NEW DELHI Chartered Accountants

Opinion

In our opinion, the accompanying special purpose financial statement and Reporting Package of Jharkhand Accelerated Road Development Company Limited as of March 31, 2018 and for the year then ended give the information required by the Act in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India including the Indian Accounting Standard prescribed under Section 133 of Companies Act read with the companies (Indian Accounting Standards) Rules, 2015 and the accounting policies as mentioned in the instructions, of the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended.

Other Matter(s)

The Company has prepared a separate set of financial statements for the year ended March 31, 2018 in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India on which we have issued a separate Auditor's Report to the members of the Company dated 20th April 2018.

Report on Other Legal and Regulatory Requirements

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 as at March 31,2018, Statement of Profit and Loss (including Other Comprehensive income), Cash Flow Statement, and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the relevant rules issued there under, as applicable;

(e) In our opinion, the aforesaid reporting pack comply with the recognition and measurement principle of the Accounting Standards specified under section 133 of the Act, read with the relevant rules issued there under, as applicable;

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

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure I". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

i. The Company 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education And Protection Fund by the Company.

Chandiok & Associates
New Delhi
Chartered Accountants

Restriction on use and distribution

The special purpose financial statement and Reporting Package have been prepared for purposes of providing information to ITNL to enable it to prepare the group financial statements. As a result, the special purpose financial statement and Reporting Package are not a complete set of financial statements of Jharkhand Accelerated Road Development Company Limited in accordance with applicable financial reporting framework underlying the Company's accounting policies and are not intended to present fairly, in all material respects (or to give a true and fair view of) the financial position of Jharkhand Accelerated Road Development Company Limited as of March 31, 2018 and of its financial performance, and its cash flow for the year then ended in accordance with applicable financial reporting framework underlying the Company's accounting policies. The special purpose financial statement and Reporting package may, therefore, not be suitable for another purpose.

This report is intended solely for the information and use of S R B C & CO LLP in conjunction with the audit of the group financial statements of ITNL respectively and should not be used by anyone for any other purpose.

For Gianender & Associates
Chartered Accountants
FRN: 04661N

R.K.Agrawal
Partner
M.No: 085671
New Delhi, 20/04/2018

Auditor Report Based On Internal Control Financial Reporting (ICFR)

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Jharkhand Accelerated Road Development Company Limited ("the Component") as of March 31, 2018 in conjunction with our audit of the financial statements of the Component for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Component's Management is responsible for establishing and maintaining internal financial controls based on [the internal control over financial reporting criteria established by the Component considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India]. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Component'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.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Component's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Component'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 Component; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Component are being made only in accordance with authorizations of management and directors of the Component; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Component's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Component 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, 2018, [based on the internal control over financial reporting criteria established by the Component 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
FRN: 04661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

R.K.Agrawal
Partner
M.No.: 085671
New Delhi, 20/04/2018

JHARKHAND ACCELERATED ROAD DEVELOPMENT COMPANY LIMITED
BALANCE SHEET AS AT 31 MARCH, 2018
(Special purpose financial statements for the purpose of Consolidation with IL&FS Transportation Netwroks Limited)

	Note No.	As at 31.03.2018 (Rupees)	As at 31.03.2017 (Rupees)
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	2,12,674	3,43,544
(b) Financial assets - other financial assets	5	19,000	19,000
(c) Non-current tax assets	12	2,28,530	1,44,182
(d) Deferred tax asset (net)	9	2,20,493	2,63,410
(e) Other non-current assets	7	5,94,03,921	5,10,85,037
Total non-current assets		**6,00,84,618**	**5,18,55,173**
Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	6	70,50,749	3,13,49,706
(ii) Bank balances other than (i) above	6	3,83,95,896	13,26,00,581
(iii) Other financial assets	5	7,21,615	22,07,324
(b) Other current assets	7	51,92,957	37,23,940
		5,13,61,217	**16,98,81,551**
Total current assets		**5,13,61,217**	**16,98,81,551**
Total Assets		**11,14,45,835**	**22,17,36,724**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	8	10,00,00,000	10,00,00,000
(b) other equity		95,31,117	81,04,334
Total Equity		**10,95,31,117**	**10,81,04,334**
LIABILITIES			
Current liabilities			
(a) Financial liabilities - Trade payables	10	14,56,098	12,70,729
(b) Other current liabilities	11	4,58,620	11,23,61,661
Total current liabilities		**19,14,718**	**11,36,32,390**
Total liabilities		**19,14,718**	**11,36,32,390**
Total equity and liabilities		**11,14,45,835**	**22,17,36,724**

See accompanying notes forming part of the special purpose financial statements 1-23

In terms of our report attached
For **Glanender & Associates**
Chartered Accountants

GLANENDER & ASSOCIATES NEW DELHI Chartered Accountants

R. K. Agrawal
Partner
Membership No 085671

Place Delhi
Date 20/4/18

For and on behalf of the Board of Directors

Sanjay Kumar Minglani
Managing Director
DIN: 02960939

Kamal Kishore Soan
Director
DIN: 06547753

Manoj Agarwal
Chief Financial Officer

Kumar Gaurav
Company Secretary

Place: Ranchi
Date: 20/04/2018

JHARKHAND ACCELERATED ROAD DEVELOPMENT COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS (INCLUDING OTHER COMPREHENSIVE INCOME) FOR THE YEAR ENDED 31 MARCH, 2018
(Special purpose financial statements for the purpose of Consolidation with IL&FS Transportation Netwroks Limited)

	Particulars	Note No.	Year ended 31.03.2018 (Rupees)	Year ended 31.03.2017 (Rupees)
1	**INCOME**			
	Other income	13	55,15,776	87,03,441
	Total Income		**55,15,776**	**87,03,441**
2	**EXPENSES**			
(a)	Depreciation and amortisation expense	4	1,64,170	2,21,030
(b)	Other expenses	14	34,60,715	28,86,039
	Total expenses		**36,24,885**	**31,07,069**
3	Profit before tax		**18,90,891**	**55,96,372**
4	Tax expense			
	(i) Current tax	15	4,21,191	17,57,458
	(iii) Deferred tax	15	42,917	(12,269)
			4,64,108	**17,45,189**
5	**Profit for the year**		**14,26,783**	**38,51,183**
6	**Other comprehensive income**		-	-
	Total comprehensive income for the year		**14,26,783**	**38,51,183**
7	Earnings per equity share (Face value of Rs. 10 each)			
	Basic	17	0.14	0.39
	Diluted	17	0.14	0.39

See accompanying notes forming part of the special purpose financial statements 1-23

In terms of our report attached.
For **Gianender & Associates**
Chartered Accountants

R. K. Agrawal
Partner
Membership No 085671

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Place N Delhi
Dale 20.4.18

For and on behalf of the Board of Directors

Sanjay Kumar Minglani
Managing Director
DIN: 02960939

Kamal Kishore Soan
Director
DIN: 06547753

Manoj Agarwal
Chief Financial Officer

Kumar Gaurav
Company Secretary

Place: Ranchi
Date: 20/04/2018

JHARKHAND ACCELERATED ROAD DEVELOPMENT COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY THE YEAR ENDED 31 MARCH, 2018
(Special purpose financial statements for the purpose of Consolidation with IL&FS Transportation Netwroks Limited)

a. Equity share capital	Number of shares	Amount
	Number of shares	Amount
Balance as at 1 April, 2016	1,00,00,000	10,00,00,000
Changes in equity share capital during the year	-	-
Balance as at 31 March, 2017	1,00,00,000	10,00,00,000
Changes in equity share capital during the year	-	-
Balance as at 31 March, 2018	1,00,00,000	10,00,00,000

b. Other equity	Retained earnings
Balance at 1 April, 2016	42,53,151
Total Comprehensive Income for the year	
Profit during the year	38,51,183
Balance at 31 March, 2017	**81,04,334**
Total Comprehensive Income for the year	
Profit during the year	14,26,783
Balance as at 31 March, 2018	**95,31,117**

See accompanying notes forming part of the special purpose financial statements 1-23

In terms of our report attached.
For **Gianender & Associates**
Chartered Accountants

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

R. K. Agrawal

Partner
Membership No 085671

Place N. Delhi
Dale 20.4.18

For and on behalf of the Board of Directors

Sanjay Kumar Minglani
Managing Director
DIN: 02960939

Kamal Kishore Soan
Director
DIN: 06547753

Manoj Agarwal
Chief Financial Officer

Kumar Gaurav
Company Secretary

Place: Ranchi
Date: 20/04/2018

JHARKHAND ACCELERATED ROAD DEVELOPMENT COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018
(Special purpose financial statements for the purpose of Consolidation with IL&FS Transportation Netwroks Limited)

		Note Ref.	Year ended 31.03.2018 (Rupees)	Year ended 31.03.2017 (Rupees)
A	**Cash flows from operating activities**			
	Profit after tax for the year		14,26,783	38,51,183
	Adjustments for:			
	Income tax expenses recognised in profit or loss		4,64,108	17,45,189
	Interest on term deposits		(53,64,186)	(87,03,441)
	Interest on Income tax refund		-	-
	Depreciation and amortisation expense		1,64,170	2,21,030
			(33,09,125)	**(28,86,039)**
	Movements in working capital:			
	Adjustments for (increase)/decrease in operating assets:			
	Other financial assets			
	Other assets - current assets		(14,69,017)	(10,027)
	Other assets - non current assets		(83,18,884)	(68,81,335)
	Trade payables		1,85,369	6,44,551
	Other current liabilities		(11,19,03,041)	11,23,11,135
			(12,15,05,573)	**10,60,64,324**
	Cash generated from / (used) in operations		**(12,48,14,698)**	**10,31,78,285**
	Net income tax paid (including tax deducted at source)		(5,05,539)	(18,96,255)
	Net cash generated from / (used in) operating activities	**A**	**(12,53,20,237)**	**10,12,82,030**
	Cash flows from investing activities			
	Interest received on demand deposit		68,49,895	1,00,38,870
	Payments for property, plant and equipment		(33,300)	(10,000)
	Movement in fixed deposit (other bank balance) during the year (net)		9,42,04,685	(8,19,42,240)
	Net cash generated from investing activities	**B**	**10,10,21,280**	**(7,19,13,370)**
	Net increase/ (decrease) in cash and cash equivalents		(2,42,98,957)	2,93,68,660
	Cash and cash equivalents at the beginning of the period		3,13,49,706	19,81,046
	Cash and cash equivalents at the end of the period		**70,50,749**	**3,13,49,706**
	See accompanying notes forming part of the special purpose financial statements	1-23		

In terms of our report attached.
For **Glanender & Associates**
Chartered Accountants

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

R. K. Agrawal
Partner
Membership No 085671

Place N-Delhi
Dale 20/4/18

For and on behalf of the Board of Directors

Sanjay Kumar Minglani
Managing Director
DIN: 02960939

Kamal Kishore Soan
Director
DIN: 06547753

Manoj Agarwal
Chief Financial Officer

Kumar Gaurav
Company Secretary

Place: Ranchi
Date: 20/04/2018

1. Corporate Information.

The Government of Jharkhand (GoJ) and Infrastructure Leasing & Financial Services Limited (IL&FS) entered into a Programme Development Agreement (PDA) dated 6 February, 2008 to form a Joint Venture for upgradation of about 1,500 lane kms of roads in the State of Jharkhand under Jharkhand Accelerated Road Development Programme (JARDP). Pursuant to the aforesaid PDA, GoJ and IL&FS incorporated a Special Purpose Entity (SPE) in the name of Jharkhand Accelerated Road Development Company Limited (JARDCL/the Company) for successful implementation of the JARDP including planning, designing and procurement of contractors, financing, construction, operation and maintenance of the road stretches identified under the JARDP.

The address of its registered office is 443/A, Road No. 5 Ashok Nagar Ranchi, Jharkhand-834002.

2. Significant Accounting Policies :

2.1 Statement of Compliance

The Ind AS financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis of Preparation and presentation

The Ind AS financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting year, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 'Leases' and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36 'Impairment of Assets'.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

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- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Use of estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of, impairment of investments, valuation of deferred tax assets, regulatory deferral accounts and provisions and contingent liabilities.

2.4 **Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

2.5 Interest income

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.6 Property, plant and equipment

Property, plant and equipment (PPE) are carried at cost less accumulated depreciation and impairment losses, if any. The cost of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, present value of decommissioning costs (where there is a legal or constructive obligation to decommission) and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. If an impairment loss is determined, the remaining useful life of the asset is also subject to adjustment. If the reasons for previously recognised impairment losses no longer exists, such impairment losses are

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reversed and recognised in income. Such reversal shall not cause the carrying amount to exceed the amount that would have resulted had no impairment taken place during the preceding periods.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for the assets as given in note 2.7

2.7 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Assets Category	**Estimated useful life (years)**
Tangible assets	
Mobile phones (included in office equipment)	Fully depreciated in the year of purchase

Intangible assets are amortised over their estimated useful life on straight line method

Intangible Assets	
Computer software	4 Years

All categories of assets costing less than Rs. 5,000 each are fully depreciated in the year of purchase.

2.8 Impairment of assets

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

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

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2.9 Foreign currencies

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

2.10 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets (including unused tax credits such as MAT credit and unused tax losses such as carried forward business loss and unabsorbed depreciation) are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets

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and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.12 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

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

2.13 Financial instruments

Financial assets and financial liabilities are recognised when the Company entity becomes a party to the contractual provisions of the instruments.

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

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective

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Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Impairment of financial assets

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

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit -adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

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

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 'Construction Contracts Contents' and Ind AS 18 'Revenue', the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109 'Financial Instruments'. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.14 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities subsequently measured at amortised cost

Financial liabilities are measured at amortised cost at the end of subsequent accounting

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periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.15 Leasing arrangement

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.
Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

2.16 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating

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segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

2.17 Earnings per share

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

2.18 Cash and cash equivalents (for purposes of cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.19 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.20 Operating cycle

Based on the nature of services/ activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the board of directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources the estimates and associated assumption are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future period if the revision affects both current and future periods.

3.1 Key Source of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimations uncertainty at the end of the reporting period that may have the significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.1.1 Useful lives and residual values of property, plant and equipment

Useful life and residual value of property, plant and equipment are based on management's judgement of the expected life and residual value of those assets. These estimates are reviewed at the end of each reporting period. Any reassessment of these may result in change in depreciation expense for future years.

3.1.2 Valuation of Deferred tax assets

Deferred tax assets are recognised only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Any change in the estimates of future taxable income may impact the recoverability of deferred tax assets.

3.2.4 Provisions and contingencies

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

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Note 4 - Property, plant and equipment

Property, plant and equipment consist of the following:

	As at 31.03.2018 (Rupees)	As at 31.03.2017 (Rupees)
Carrying amount of:		
Furniture and Fixtures	1,20,021	2,40,180
Vehicles	-	-
Office equipment	92,653	1,03,364
	2,12,674	3,43,544

(Rupees)

Descreption	Furniture and Fixtures	Vehicles	Office equipment	Total
Balance as at 1 April, 2016	4,80,498	2,45,465	1,52,250	8,78,213
Additions	-	-	10,000	10,000
Balance as at 31 March, 2017	4,80,498	2,45,465	1,62,250	8,88,213
Accumulated depreciation as at 1 April, 2016	1,20,159	1,85,043	18,437	3,23,639
Depreciation for the year	1,20,159	60,422	40,449	2,21,030
Accumulated depreciation as at 31 March, 2017	2,40,318	2,45,465	58,886	5,44,669
Net carrying amount as at 31 March, 2017	2,40,180	-	1,03,364	3,43,544
Balance as at 1 April, 2017	4,80,498	2,45,465	1,62,250	8,88,213
Additions	-	-	33,300	33,300
Balance as at 31 March, 2018	4,80,498	2,45,465	1,95,550	9,21,513
Accumulated depreciation as at 1 April, 2017	2,40,318	2,45,465	58,886	5,44,669
Depreciation for the year	1,20,159	-	44,011	1,64,170
Accumulated depreciation as at 31 March, 2018	3,60,477	2,45,465	1,02,897	7,08,839
Net carrying amount as at 31 March, 2018	1,20,021	-	92,653	2,12,674

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	As at 31.03.2018 (Rupees)	As at 31.03.2017 (Rupees)
Note 5-Other financial assets		
i. Non - current		
Security deposits	19,000	19,000
Total	**19,000**	**19,000**
ii. Current		
Accrued interest on demand deposits	7,21,615	22,07,324
Total	**7,21,615**	**22,07,324**
Note 6-Cash and cash equivalents		
Balances with banks	5,23,320	58,40,712
Cash on hand	27,429	15,000
Fixed deposits with original maturity upto 3 months	65,00,000	2,54,93,994
Cash and cash equivalents as per statement of cash flow	**70,50,749**	**3,13,49,706**
In deposits accounts (Original maturity more than 3 months upto 12 months)	3,83,95,896	13,26,00,581
Other bank balances	**3,83,95,896**	**13,26,00,581**
Note 7 - Other assets		
i. Non current assets		
Project Development Expenditure ("PDE") (See notes below)	5,94,03,921	5,10,85,037
Total	**5,94,03,921**	**5,10,85,037**
Note:		
Movement in PDE		
Opening balance	5,10,85,037	4,49,44,096
Add - PDE incurred during the year	83,18,884	61,40,941
Less - PDE recovered during the year	-	-
Closing balance	**5,94,03,921**	**5,10,85,037**
Details of PDE		
Consultants fees	4,04,74,668	3,51,86,157
Advertisement expenses	70,80,990	57,31,398
Other expeses	1,17,89,861	95,64,434
Construction cost	27,18,438	27,18,438
	6,20,63,957	5,32,00,427
Less:		
Non-refundable deposits from Request For Proposal ('RFP')	26,60,036	21,15,390
	5,94,03,921	**5,10,85,037**

Under the terms of Project Development Agreement ('PDA'), the Company is entitled to a recovery of a minimum of the cost incurred towards project development as aforesaid from either implementation SPE or GOJ depending on whether a proposed stretch is approved for execution or has been rejected. PDE of Rs. 59,403,921 (31 March, 2017 Rs.51,085,037) is related to Rangamati - Silli, Silli to Rajrappa, Kandra -Chandil, Dumri - Jena More, Vikas -Rampur, Ranchi-Muri Road, Patratu Dam Ramgarh Road, Baagdaah More- Nohihat Road and Godda -Ramgarh -Guhiajori Road projects are regarded as good and recoverable.

	As at 31.03.2018 (Rupees)	As at 31.03.2017 (Rupees)
ii. Current		
(a) Prepaid expenses	1,55,994	1,30,377
(b) Balances with government authorities - GST /Service tax credit receivable	50,36,963	35,93,563
Total	**51,92,957**	**37,23,940**

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NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

8. Share capital

	As at 31.03.2018		As at 31.03.2017	
	Number of Shares	Rupees	Number of Shares	Rupees
AUTHORISED				
Equity shares of Rs.10 each with voting rights	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
ISSUED, SUBSCRIBED AND FULLY PAID-UP				
Equity shares of Rs.10 each fully paid-up with voting rights (See notes below)	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
	1,00,00,000	**10,00,00,000**	**1,00,00,000**	**10,00,00,000**

Notes:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

	As at 31.03.2018		As at 31.03.2017	
	Number of Shares	Rupees	Number of Shares	Rupees
Equity share with voting rights				
Outstanding at the beginning of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Add - Issued during the year	-	-	-	-
Outstanding at the end of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000

(b) Details of shares held by each shareholder holding more than 5 percent shares:

	As at 31.03.2018		As at 31.03.2017	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity share with voting rights				
Governor of Jharkhand	26,00,000	26.00%	26,00,000	26.00%
Infrastructure Leasing & Financial Services Limited (Holding Company along with its nominees)	74,00,000	74.00%	74,00,000	74.00%

(c) Details of shares held by the holding Company

Infrastructure Leasing & Financial Services Limited (Along with its nominees)	74,00,000	74.00%	74,00,000	74.00%

(d) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

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Note - 9 Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Particulars	As at 31.03.2018 (Rupees)	As at 31.03.2017 (Rupees)
Deferred tax assets	2,20,493	2,63,410
Deferred tax liabilities	-	-
Net assets	**2,20,493**	**2,63,410**

2017-18

Particulars	Opening balance	Recognised in statement of profit and loss	Closing balance
Deferred tax assets in relation to:			
Property, plant and equipment	2,63,410	(42,917)	2,20,493
Total	**2,63,410**	**(42,917)**	**2,20,493**

2016-17

Particulars	Opening balance	Recognised in statement of profit and loss	Closing balance
Deferred tax assets in relation to:			
Difference between book balance and tax balance of property, plant and equipment	2,51,141	12,269	2,63,410.00
Total	**2,51,141**	**12,269**	**2,63,410**

Note - 10 Trade payables

Trade payables	14,56,098	12,70,729
Total	**14,56,098**	**12,70,729**

Note - 11 Other liabilities

Current		
(a) Advance received from Road Construction Department, Government of Jharkhand. (see note below)	-	11,16,25,930
(b) Others		
-Statutory dues	4,58,620	7,35,731
Total	**4,58,620**	**11,23,61,661**

Note:
Advance is received towards construction of approaches of proposed Railway over bridge in village Pochra.

Note - 12 Current tax assets and liabilities

Current tax assets		
Advance payment of income taxes	7,16,419	24,33,880
	7,16,419	**24,33,880**
Current tax liablities		
Income tax payable	4,87,889	22,89,698
	4,87,889	**22,89,698**
	2,28,530	**1,44,182**

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		Year ended 31.03.2018	Year ended 31.03.2017
Note 13 - Other Income			
(a)	Interest income - Demand deposit (at amortised cost)	53,64,186	87,03,441
(b)	Interest on income tax refund	11,590	-
(c)	Income from Request for Proposal	1,40,000	-
	Total	**55,15,776**	**87,03,441**
Note 14 - Other expenses			
	Manpower hiring charges	8,09,144	5,85,094
	Electricity expenses	41,910	35,107
	Rent including lease rentals	1,98,000	1,80,000
	Repairs and maintenance - others	4,81,163	4,06,381
	Insurance expenses	35,945	36,318
	Communication expenses	19,085	25,311
	Travelling and conveyance expenses	3,91,778	3,44,713
	Printing and stationery expenses	86,816	92,648
	Advertisement and business promotion expenses	4,98,528	2,02,263
	Legal and professional expenses	2,47,081	3,77,819
	Payments to auditors (see note below)	3,00,000	3,00,000
	Director's sitting fee	2,00,292	1,61,936
	Miscellaneous expenses	1,50,973	1,38,449
	Total	**34,60,715**	**28,86,039**
	Note:		
	Payments to the auditors comprise (net of GST)		
	For audit fee	3,00,000	3,00,000
		3,00,000	**3,00,000**
Note 15 -Income taxes			
	Income tax recognised in the statement of profit or loss		
	Current tax		
	In respect of the current year	4,87,889	17,41,548
	In respect of prior year	(66,698)	15,910
		4,21,191	**17,57,458**
	Deferred tax		
	In respect of the current year	42,917	(12,269)
		42,917	**(12,269)**
	Total income tax expense recognised in the current year	**4,64,108**	**17,45,189**

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Note 16 - Segment Information

The Company is engaged in infrastructure business and is a Special Purpose Entity formed for the specific purpose detailed in Note 1. As the Company operates in a single reportable segment which is governed by same set of risks and returns, thus the reporting requirements under Indian Accounting Standard 108 'Operating Segments' have not been presented in the financial statements.

Geographical information :-

The Company operates in a single geographical area i.e. India (country of domicile).

Note 17 - Earnings per share

Basis / dilutes earnings per shares has been computed by dividing net profit after tax by the weighted-average number of equity shares outstanding for the year.

Particulars	Units	31.03.2018	31.03.2017
Profit (loss) for the year, attributable to the owners of the Company	Rs.	14,26,783	38,51,183
Weighted average number of equity shares used in computing the basic and diluted earnings per share	No. of shares	1,00,00,000	1,00,00,000
Earnings per share basic and diluted	Rs.	0.14	0.39

Note 18 - Leasing arrangements
The India Company has taken certain premises on leases for official purposes. These leases are cancellable in nature and there are no non-cancellable leases. The lease payments recognised in the Statement of Profit and Loss during the year is as under -:

	Year Ended 31.03.2018	Year Ended 31.03.2017
Lease payments recognised in the Statement of Profit and Loss (Refer to Note 14)	1,98,000	1,98,000

Note 19 - Contingent liabilities and commitments

Particulars	31.03.2018 (Rupees)	31.03.2017 (Rupees)
a) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-
b) Contingent liablity	-	-

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

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

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Note 20 - Related party disclosures

As at 31 March, 2018

(a) Name of the related parties and description of relationship:

Nature of Relationship	Name of Entity	Abbreviation used
Ultimate Holding Company	Infrastructure Leasing & Financial Services Limited	ILFS
Fellow Subsidiaries (Only with whom there have been transaction during the period/ there was balance outstanding at the year end)	Jharkhand Road Projects Implementation Company Limited	JRPICL
	ISSL CPG BPO Private Limited	ISSL
Key Management personel	Mr. Sanjay Kumar Minglani	Managing Director
	Mr. Amit Khare	Director
	Mr. Kamal Kishor Soan	Director
	Mr. Mast Ram Meena	Director
	Mr. Harish Mathur	Director
	Mr. Mukund Sapre	Director
	Mr. Milind Chakarvati	Independent Director
	Mr. Gautam Mukherjee	Independent Director
	Mr. Manoj Agarwal (Chief Financial Officer)	CFO
	Mr. Kumar Gaurav (Company Secretary)	CS

Related party disclosures (contd.)

Year ended 31 March, 2018

(b) Balancce/ transactions with above mentioned related parties

(Rupees)

Particulars	IL&FS	JRPICL	ISSL	KMP	Total
Transactions					
Rent and electricity expenses	-	2,39,410	-	-	2,39,410
Repairs and maintenance	80,684	-	-	-	80,684
Director's sitting fees - Amit Khare	-	-	-	5,556	5,556
Director's sitting fees - Kamal Kishor Soan				10,000	10,000
Director's sitting fees - Mast Ram Meena				33,336	33,336
Director's sitting fees - Harish Mathur				26,668	26,668
Director's sitting fees - Sanjay Kumar Minglani				32,224	32,224
Director's sitting fees - Mukund Sapre				5,556	5,556
Director's sitting fees - Milind Chakarvati				48,892	48,892
Director's sitting fees - Gautam Mukherjee				37,780	37,780

Year ended 31 March, 2017

(b) Balancce/ transactions with above mentioned related parties

(Rupees)

Particulars	IL&FS	JRPICL	ISSL	KMP	Total
Transactions					
Rent and electricity expenses	-	2,14,607	-	-	2,14,607
Repairs and maintenance	77,436	-	-	-	77,436
Profession fees and reimburshment of expenses	-	-	16,680	-	16,680
Director's sitting fees - Amit Khare	-	-	-	11,112	11,112
Director's sitting fees - Mast Ram Meena				33,336	33,336
Director's sitting fees - Harish Mathur				11,112	11,112
Director's sitting fees - Sanjay Kumar Minglani				22,224	22,224
Director's sitting fees - Mukund Sapre				11,112	11,112
Director's sitting fees - Milind Chakarvati				33,336	33,336
Director's sitting fees - Gautam Mukherjee				38,892	38,892

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Note 21 - Financial Instruments
Note 21.1 - Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholder through optimisation of equity balances.

Categories of financial instruments

	As at 31.03.2018 (Rupees)	As at 31.03.2017 (Rupees)
Financial Assets		
Measured at Amortised cost		
(a) Cash and cash equivalents	70,50,749	3,13,49,706
(b) Others financial assets	7,40,615	22,26,324
Financial Liabilities		
Measured at Amortised cost (including trade payables)		
(a) Trade and other payables	14,56,098	12,70,729

Note 22 - Financial risk management
The company's financial risks mainly include market risk , credit risk and liquidity risk. Risk management is carried out by the Group entity of IL&FS Group under internal management policies

Note 22.1 - Market risk management
The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.The company do not have any borrowing or any outstandings in foreign currency during the year , hence there is no market risk.

Note 22.2 - Credit risk management
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties.The Management believes that the credit risk is negligible since its main receivable is from the grantors of the concession which is a government authority.

Note 22.3 - Liquidity risk management
The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve , by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note 22.3.1 below sets out details of additional undrawn facilities that the company has at its disposal to further reduce liquidity risk.

Note 22.3.1 Liquidity risk tables
The following tables detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The contractual maturity is based on the earliest date on which the company may be required to pay.

Particulars	**Non Interest bearing**	**Non Interest bearing**
	March 31,2018	**March 31,2017**
Less than 1 year	14,56,098	12,70,729
1-3 Years	-	-
3 to 5 years	-	-
5+ years	-	-
Total	**14,56,098**	**12,70,729**
Carring Amount	**14,56,098**	**12,70,729**

The following table details the company's expected maturity for its financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets . The inclusion of information on financial assets is necessary in order to understand the company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	**Non Interest bearing**	**Non Interest bearing**
	March 31,2018	**March 31,2017**
Less than 1 year	3,91,17,511	13,48,07,905
1-3 Years	-	-
3 to 5 years	-	-
5+ years	-	-
Total	**3,91,17,511**	**13,48,07,905**
Carring Amount	**3,91,17,511**	**13,48,07,905**

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JHARKHAND ACCELERATED ROAD DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS

Note 23 - Approval of financial statement

The special purpose financial statements for the year ended 31 March, 2018 were approved by the Board of Directors on April 20, 2018

For and on behalf of the Board of Directors

Sanjay Kumar Minglani
Managing Director
DIN: 02960939

Kamal Kishore Soan
Director
DIN: 06547753

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Chartered Accountants

Manoj Agarwal
Chief Financial officer

Kumar Gaurav
Company Secretary

Place : Ranchi
Date : 20/04/2018