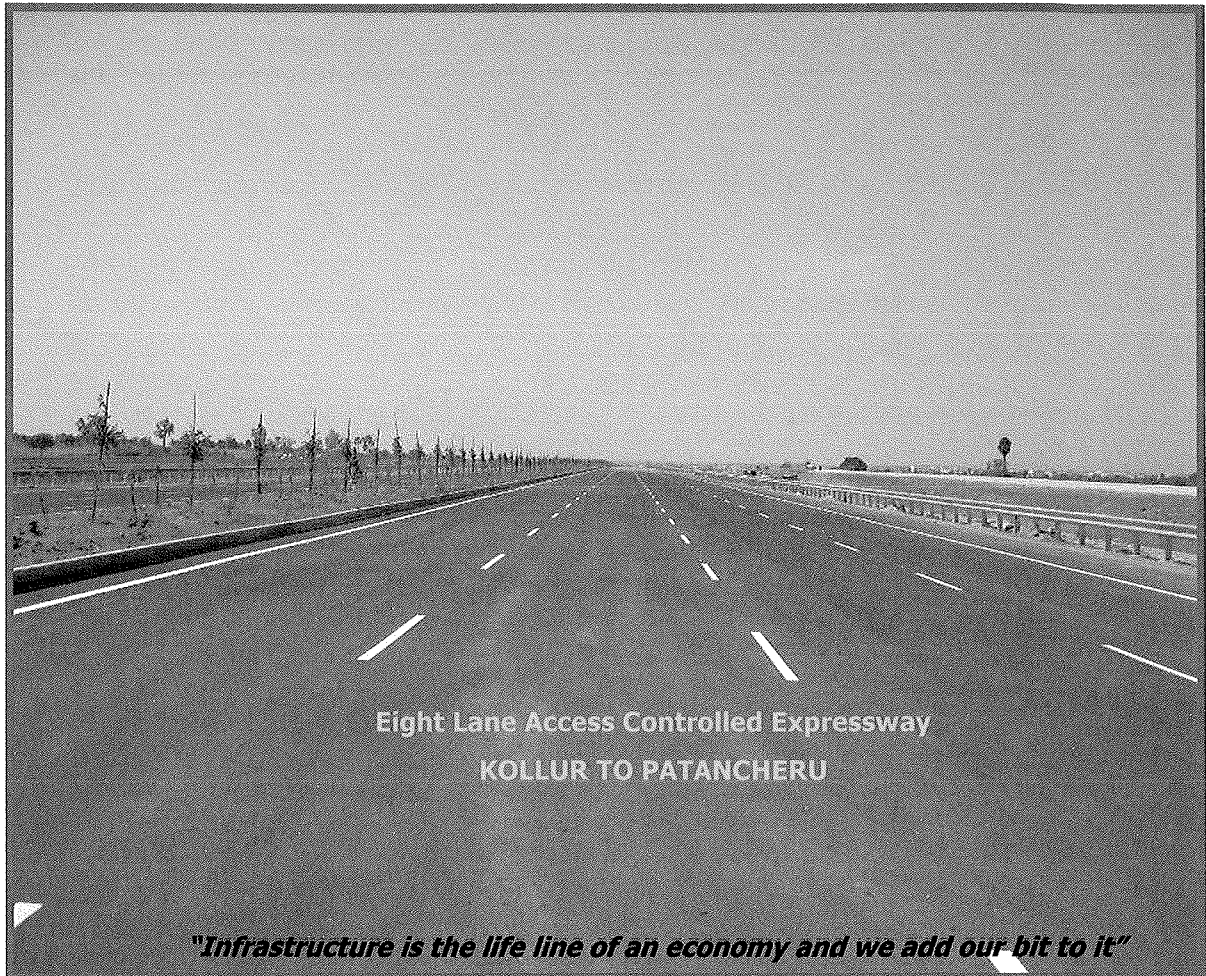


# **CYBERABAD EXPRESSWAYS LIMITED**

## **12<sup>TH</sup> ANNUAL REPORT**

### **2018-19**



**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Mr. T. RAJIV REDDY	Director
Mr. SHARAT GOYAL	Director
Mr. ANIL KUMAR GUPTA	Director
Mr. CH. HARIVITHAL RAO	Independent Director
Mr. M.V. NARASIMHA RAO	Independent Director
Mr. Umang Mohan	Additional Director

**AUDIT COMMITTEE**

Mr. T. RAJIV REDDY	Chairman
Mr. CH. HARIVITHAL RAO	Member
Mr. M.V. NARASIMHA RAO	Member

**NOMINATION AND REMUNERATION COMMITTEE**

Mr. M.V. NARASIMHA RAO	Chairman
Mr. T. RAJIV REDDY	Member
Mr. CH. HARIVITHAL RAO	Member

**REGISTERED OFFICE**

6-3-1090, B-1, T.S.R. TOWERS,  
RAJBHAVAN ROAD, SOMAJIGUDA,  
HYDERABAD – 500 082, TELANGANA.

CIN: U45209TG2007PLC054996

**AUDITORS**

M/s. RAO & KUMAR ASSOCIATES  
CHARTERED ACCOUNTANTS  
SECUNDERABAD

**BANKERS & FINANCIAL INSTITUTIONS**

UNITED BANK OF INDIA  
ALLAHABAD BANK  
ICICI BANK LTD.  
DENA BANK

**INDIAN BANK**

**INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED**

**VIJAYA BANK**

**CENTRAL BANK OF INDIA**

**REGISTRAR AND TRANSFER AGENT**

**M/s. BIGSHARE SERVICES PRIVATE LIMITED**

**306, RIGHT WING, AMRUTHA VILLE**

**OPP. YASHODA HOSPITAL, SOMAJIGUDA,**

**RAJBHAVAN ROAD, HYDERABAD-500082,**

**TELANGANA -INDIA.**

**CONCESSIONING AUTHORITY**

**M/s. HYDERABAD GROWTH CORRIDOR LIMITED,**

**2<sup>nd</sup> FLOOR, HUDA COMPLEX,**

**TARNAKA,**

**SECUNDERABAD – 500 017**

**BOARDS' REPORT**

To

The Members,

Your Directors have immense pleasure in presenting the 12<sup>th</sup> Annual Report of your Company and the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2019.

**1. FINANCIAL SUMMARY:**

The following table depicts the financial results of your Company for the year ending 31<sup>st</sup> March 2019:

<b>S. No.</b>	<b>Particulars</b>	<b>For the year ended 31.03.2019 (Rs.)</b>	<b>For the year ended 31.03.2018 (Rs.)</b>
1)	<b>INCOME</b>		
	Income from Operations	42,01,61,348	46,66,42,579
	Other Income	78,80,651	29,84,705
	<b>TOTAL</b>	<b>42,80,42,000</b>	<b>46,96,27,284</b>
2)	<b>EXPENDITURE</b>		
	Employee Benefits Expense	70,80,000	60,00,000
	Finance Costs	29,43,06,360	35,95,58,789
	Depreciation & Amortization expense	3,24,096	2,00,635
	Operations & Maintenance Expenses	12,51,00,165	13,23,28,896
	Other Expenses	1,40,09,375	1,45,95,874
	<b>TOTAL</b>	<b>44,08,19,996</b>	<b>51,26,84,194</b>
3)	<b>PROFIT / (LOSS) BEFORE TAX</b>	<b>(1,27,77,996)</b>	<b>(4,30,56,910)</b>
	Provision for Taxation:		
	- Current Tax		
4)	<b>PROFIT / (LOSS) AFTER TAX</b>	<b>(1,27,77,996)</b>	<b>(4,30,56,910)</b>
	Less/Add: Prior Period adjustments		
5)	<b>PROFIT / (LOSS) AFTER PRIOR PERIOD ITEMS</b>	<b>(1,27,77,996)</b>	<b>(4,30,56,910)</b>
	Earning (Loss) per Share		
	- Basic	(6.45)	(21.75)
	- Diluted	(0.29)	(0.96)

**2. THE YEAR IN RETROSPECT****a) Operation & Maintenance (O&M) Works:**

During the financial year under review, your Company was fully engaged in Operations and Maintenance of the Project Highway, in accordance with the Concession Agreement by engaging various small contractors. The O&M works are being carried out in accordance with the stipulations given under the Concession Agreement.

Your Company has ensured that all safety aspects of the completed Project Highway are in place, which includes sign boards, gantries, crash barriers with radium stickers, solar blinkers, safety cones and safety jackets etc.

Your Company has taken the following safety measures on the Project Highway to ensure adequate safety to the commuters:

Your Company has taken the following safety measures on the Project Highway to ensure adequate safety to the commuters:

- Ambulance: An ambulance has been provided round the clock along with an on-duty paramedic to attend persons who have met with an accident.
- Recovery van: A recovery van has been provided around the clock, so as to shift vehicles that have met with an accident, so that traffic movement is smooth.
- Patrolling Vehicle: A Patrolling Vehicle has been provided by your Company to ensure that the entire Project Highway is completely and regularly monitored, in collaboration with the Concessioning Authority.
- Solar Blinkers: Solar blinkers have been placed by the Company at the ramps, vehicular underpasses & pedestrian underpasses to ensure clear night vision.
- Safety sign boards: The required number of safety sign boards has been provided along the Main Carriageway and Service roads to ensure safety of commuters.
- Speed-gun and Breathe-analyser: These are being used to monitor and control over-speeding and drunken-driving, which have been the major reasons for a number of accidents happening on the Project Highway.
- Median plantation and watering: In accordance with the specifications of the Concession Agreement, your Company is maintaining the median plantation and watering thereof is being done on a daily basis through drip irrigation.
- Jungle/Weed clearance: Weeds in the median, at the service roads and on the shoulders of the Main Carriageway are being cleared on a daily basis.
- Repairs to Crash barriers, Signboards, kerbs, Saucer Drain, Chute drains etc due to accidental damages and natural wear and tear.
- Payment of electricity bills regularly for the maintenance of lights at all Vehicular under Passes (VUP) and Pedestrian under Passes (PUP) and at all Junctions.

#### **b) Major Maintenance works:**

During the current year, we have started the major maintenance works which was due in FY 17-18 and planned to complete by the end of FY 2018-19. A layer of road measuring 25mm has to be removed and re-laid with Bituminous concrete. Relaying is not required in HEL as the bump indicator tests are very good and below the limit. (Bump Indicator Test indicates the roughness index of the road). The cost of the overlay will be Rs. 34.18 crs and the SPV has to install a hot mix and a wet mix plant to commence the MMR. The company has spent Rs.22.59 crs till 31st March 2019. Balance estimated works to be done for Rs. 11.59 crs.

**c) Status on Balance Punch List Items:**

Your Company has completed the work on the land available, under the punch-list items as specified by the Independent Consultant appointed by the Concessioneing Authority. However, HGCL has still not handed over a negligible portion of the land, due to which the work could not be executed at Ramp no 9. The ROW matter is pending with the Honorable High Court. Apart from the above there is a minor work on account of lane marking which can be done only after the completion of the Ramp no 9.

Unless the HGCL/HMDA hands over the balance ROW, it is not possible to complete the full portion of work.

**d) Annuity receipts from HGCL:**

There have been delays in receipt of Annuities from the Concessioneing Authority during the year, largely due to the non allocation of funds to HGCL by the Telangana State Government despite the payment of annuities being budgetary allocation.

During the period your company has received the balance parts of Fourteen Annuity and Fifteen Annuity, Sixteenth Annuity due on 19<sup>th</sup> June 2018 and Seventeenth Annuity due on 19<sup>th</sup> December 2019 was received by the Company.

The Annuity received have been utilized by the Company for servicing the debt availed from the lenders, for O&M works at the project site and completion of balance works at the site.

**e) Delay in Project Completion:**

The members are fully aware of the fact that the project has been delayed due to the reasons not attributable to your Company such as delay in handing-over the land in accordance with the Concession Agreement. The major reasons for the delays are identified as follows:

- a. As per Clause 13.5.1 of the Concession Agreement, the additional land required for junctions are to be handed over to the Concessionaire within 180 days from the Commencement Date (20<sup>th</sup> December 2007). However, the actual handover was completed by HGCL on 24<sup>th</sup> December 2010.
- b. Further, the land require for Patancheru Interchange was actually handed-over on 24<sup>th</sup> December 2010.
- c. According to the Concession Agreement, it is the obligation of the Concessionaire to obtain all necessary clearances/approvals, except General Arrangement Drawings (GADs) from Railways for the constriction of ROB/RUB.
- d. However, there was an inordinate delay in obtaining approval from Railways for launching of girders. Hence, the construction of ROB was suspended, thereby contributing to the delay in completion of the project.
- e. The delay in shifting of HT Lines by APTRANSCO has caused a delay in construction of VUP at KM. 20+300.
- f. HGCL has not issued Change of Scope orders for many Change of Scope items, e.g. VUP at Km. 23+436, Patancheru DT Interchange etc. due to which the project was delayed inordinately.

It is evident from the above that the delay in completion of the project is entirely due to the default of the Concessioneing Authority (HGCL) in compliance with the Concession Agreement and not due to any default on the part of your Company.

In view of the above, your Company is eligible to obtain the arrears of Annuities [i.e. Annuities pertaining to the period from Scheduled Project Completion Date (SPCD) and Commercial Operations Date (COD)] and a Bonus Annuity, the details of which are given herein below.

**f) X- Factor and Eligibility to receive first 3 Annuities, part of 4<sup>th</sup> Annuity and a Bonus Annuity:**

In view of the defaults made by the Concessioneing Authority in compliance with the Concession Agreement, your Company applied to the Independent Consultant to consider and recommend x-factor delay to the Concessioneing Authority. After a lot of deliberations and meetings on the said issue, the Independent Consultant has recommended x-factor of 742 days to M/s HGCL. The following table shows the Annuities receivable by your Company from HGCL:

S. No.	Revised Annuity Dates	Annuity Period		Amount of Annuity (Rs.)	Due Date
		From	To		
1	19-Dec-10	19-Jun-10	18-Dec-10	39,50,00,000	22-Jun-12
2	19-Dec-11	19-Dec-10	18-Jun-11	39,50,00,000	22-Jun-12
3	18-Jun-12	19-Jun-11	18-Dec-11	39,50,00,000	22-Jun-12
4	19-Dec-12	19-Dec-11	30-Mar-12	22,39,01,800	22-Jun-12
<b>Sub – Total (A)</b>				<b>140,89,01,800</b>	
<b>Bonus Annuity (B)</b>				<b>39,50,00,000</b>	
<b>Grand Total (A+B)</b>				<b>180,39,01,800</b>	

The Invoices for the aforesaid 4 Annuities were submitted by your Company on 23<sup>rd</sup> June 2012 to the IC/CGM and once again on 28<sup>th</sup> March 2013.

After several deliberations on the matter, the Telangana State Government represented by the Principal Secretary, Department of Municipal Administration & Urban Development (MA&UD) had sought a legal opinion from the Additional Advocate General regarding the maintainability of the Company's request for the arrears of Annuity and Interest on delayed payment thereof.

Your Directors take pleasure in informing the members that the Additional Advocate General has issued a positive opinion and has categorically stated that your Company is eligible to receive the Annuities between SPCD and COD, as aforesaid, apart from Interest on delayed payment of these Annuities and a Bonus Annuity.

We understand that The Metropolitan Commissioner, HMDA has requested the Special Chief Secretary to Govt., MA & UD Department, Govt of Telanagana to release the amount of Rs 140.89 Crores to make payment to Cyberabad Expressways Limited upon signing of the Supplementary Agreement

Inspite of all the above, the HMDA/HGCL is taking backfoot which is evident from the latest letter dated 12.04.2016 written by Metropolitan Commissioner, HMDA/HGCL to the Special Chief Secretary to Telangana Government, MA & UD Department that the matter has to be referred to arbitration committee for payment of Annuity between SPCD & COD and interest on Bonus if needed duly taking opinion from legal firm

conversant with similar matter. Hence, that the Company has filed a writ petition with High Court to collect dues from the HGCL/HMDA.

**g) Term Loans and Servicing thereof:**

The members are aware that your Company has drawn the entire Term Loan of Rs.376.31 Crores from the lenders.

The irregularity in debt-servicing during the year was largely due to delays in receipt of Annuities from the Concessioning Authority, the underlying reasons for which have already been explained above.

**3. FUTURE OUTLOOK**

The foremost priority of your Company is now to ensure receipt of the Annuity arrears, along with Bonus Annuity, Interest thereon etc. from the Concessioning Authority as mentioned hereinabove, thereby enabling the Company to service the Term Loans (Interest payments and Principal Repayments) availed from the lenders, without any delays.

Apart from this, after completion of the punch-list items, your Company is planning to apply for the Final Completion Certificate.

Your Directors are putting-in all the required efforts to achieve the above targets.

**4. EXTRACT OF ANNUAL RETURN**

The Extracts of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 and the same is enclosed as **Annexure-1**.

**5. BOARD MEETINGS**

During the year ended 31<sup>st</sup> March, 2019, Four Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The dates on which the Board meetings were held are 23.05.2018, 28.08.2018, 06.12.2018 and 12.03.2019.

**Attendance of Directors at the meetings:**

The details of the attendance of the Directors at the Board meetings held during the year ended 31<sup>st</sup> March, 2019.

Name of the Director	Number of Board Meetings	
	Held	Attended
T. Rajiv Reddy	4	2
Sharat Goyal	4	2
Ch. Harivithal Rao	4	4
M.V. Narasimha Rao	4	3



Murli Dhar Khattar	3	3
Anil Kumar Gupta	4	4

### Audit Committee Meetings

During the year ended 31<sup>st</sup> March, 2019, one Audit Committee Meeting was held on 21.05.2018.

### Attendance of members at the Audit Committee Meeting:

The details of the attendance of the Directors at the Audit Committee meetings held during the year ended 31<sup>st</sup> March, 2019.

Name of the Director	Number of Audit Committee Meetings	
	Held	Attended
M.V. Narasimha Rao	1	0
T. Rajiv Reddy	1	1
Ch. Harivithal Rao	1	1

## 6. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- that in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2019 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**7. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Mr. Anil Kumar Gupta was regularized as a Director of the Company with effect from 28<sup>th</sup> August, 2018.

Mr. M.D Khattar resigned from the Directorship of the Company w.e.f 13<sup>th</sup> December, 2018.

Mr. Harivithal Rao was re-appointed as an Independent Director of the Company w.e.f 3<sup>rd</sup> March, 2019.

Mr. Umang Mohan was appointed as Additional Director of the Company w.e.f 22<sup>nd</sup> May, 2019.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

**8. DECLARATION BY INDEPENDENT DIRECTORS**

The independent directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6).

**9. RE-APPOINTMENTS**

T. Rajiv Reddy, Director of the Company is retiring by rotation and being eligible, offers himself for re-appointment.

**10. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration.

The Committee headed by Mr. M.V. Narasimha Rao as a Chairman and Mr. T. Rajiv Reddy and Mr.Ch. Harivithal Rao, members of the Committee.

**11. AUDITORS REPORT**

There are no qualifications in the Auditors Report.

**12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

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

**13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of contracts or arrangements with the related parties referred to in Section 188 in the Form AOC – 2 is annexed herewith as **Annexure-2**.

**14. TRANSFER OF AMOUNT TO RESERVES**

The Company does not propose to transfer any amount to the general reserve for the Financial Year ended 31<sup>st</sup> March, 2019.

**15. DIVIDEND**

The Board of Directors does not recommend any dividend on the Equity Shares for the financial year ended 31<sup>st</sup> March, 2019.

**16. MATERIAL CHANGES AND COMMITMENTS**

There has been no material change and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

There has been no change in the nature of business of the Company.

**17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information relating to Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014 is Nil.

**18. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY**

The source of income for your Company is Annuity from HGCL (Hyderabad Growth Corridor Limited) as per the Concession Agreement and income earned out of temporary deployment of funds. Annuity from HGCL accounts for almost 98% of the total income of your Company. Since the Annuities are payable by HGCL in accordance with the Concession Agreement, your Company does not foresee any significant risk in receipt of these Annuities, in view of the fact that a revolving Letter of Credit will be obtained from HGCL upon final completion of the project, securing all future annuities. Your Company is ensuring that the conditions of the Concession Agreement are complied with, to ensure timely receipt of Annuities.

Your company has to receive the Annuities from the Telangana State of Government. The Telangana state is having a surplus budget and is at present the Second richest state in the Country and hence there is a very low risk of receiving the annuities.

Your Company has also ensured that proper systems are planned, implemented and effectively monitored to ensure that all accounting and financial transactions are properly authorized and recorded, so as to ensure that the financial statements are free from material misstatements.

#### **19. POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR –**

The policy developed and implemented by the Company on Corporate Social Responsibility initiatives taken during the year is Nil as the relevant provisions of the Companies Act, 2013 in this regard are not applicable to the Company.

#### **20. BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration.

#### **21. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

#### **22. SUBSIDIARY COMPANIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATE COMPANIES**

During the Financial Year ending on 31<sup>st</sup> March 2019, your Company had no subsidiaries and associate Companies.

**The names of companies which have become or ceased to be Company's Subsidiaries, joint ventures or associate companies during the year**

During the Financial Year, no company is ceased as Company's Subsidiary, joint venture or associate company.

#### **23. CONSOLIDATED FINANCIAL STATEMENTS**

As the Company does not have any subsidiary or associate companies, the Consolidated Financial Statements are not applicable.

**24. STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES**

As the Company does not have any subsidiary or associate companies, the statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures is not applicable.

**25. DEPOSITS**

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

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

**27. STATUTORY AUDITORS**

M/s. Rao & Kumar Associates, Chartered Accountants, Hyderabad (ICAI Regn. No. 003093S), were appointed as statutory auditors of the Company to hold office from the conclusion of 11<sup>th</sup> AGM until the conclusion of the 16<sup>th</sup> AGM to be held in the year 2023.

**28. PARTICULARS OF EMPLOYEES**

There are no employees in the Company who are drawing prescribed salary pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**29. VIGIL MECHANISM**

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy are available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company.

**30. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

Your Company has ensured that appropriate policies and procedures are adopted for ensuring orderly and efficient conduct of the business, including adherence to Company's policies, the safeguarding of its assets, prevention and detection of fraud and error, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

**31. HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

Your Company lays emphasis on competence and commitment of its human capital recognizing its pivotal role for organizational growth.

During the year, the Company maintained a record of peaceful employee relations. Your Directors wish to place on record their appreciation for the commitment shown by the employees throughout the year.

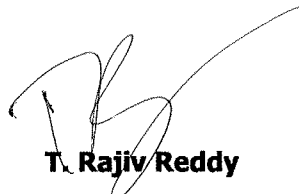
**32. ACKNOWLEDGEMENTS**

Your Directors express their appreciation to the Company's Bankers, Statutory Auditors, Customers, Consultants and Members for their constant help, co-operation and support.

**For and on behalf of the Board**

Place: **Hyderabad**

Date: **22<sup>nd</sup> May, 2019**



**T. Rajiv Reddy**  
**Director**

**DIN: 06859435**



**Ch. Harivithal Rao**  
**Director**

**DIN:00012970**

## Form No. MGT-9

## Annexure-1

**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended 31.03.2019**  
**[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the**  
**Companies (Management and Administration) Rules, 2014]**

<b>I. REGISTRATION AND OTHER DETAILS:</b>	
CIN	U45209TG2007PLC054996
Registration Date	03/08/2007
Name of the Company	CYBERABAD EXPRESSWAYS LIMITED
Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government Company
Address of the Registered Office and contact details	6-3-1090, B-1, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana. E Mail: <a href="mailto:ghl@gayatrihighways.com">ghl@gayatrihighways.com</a> Tel: 040-23310330
Whether listed company	Unlisted
Name, address and contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICES PVT. LTD. Branch Office: 306, Right Wing, Amrutha Ville, Opp, Yasodha Hospital, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana. E Mail: <a href="mailto:bsshyd@bigshareonline.com">bsshyd@bigshareonline.com</a> , Tel: 040- 23374967

**II. Principal Business Activities of the Company**

**All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:**

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Construction of Roads	42101	100%

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

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NIL					

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	-	2	2	0.0001	-	2	2	0.0001	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	7,52,400	-	7,52,400	37.99	7,52,400	-	7,52,400	37.99	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1):</b>	<b>7,52,400</b>	<b>2</b>	<b>7,52,402</b>	<b>38.00</b>	<b>7,52,400</b>	<b>2</b>	<b>7,52,402</b>	<b>38.00</b>	<b>-</b>
<b>(2) Foreign</b>	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoters (A) = (A)(1)+(A)(2)</b>	<b>7,52,400</b>	<b>2</b>	<b>7,52,402</b>	<b>38.00</b>	<b>7,52,400</b>	<b>2</b>	<b>7,52,402</b>	<b>38.00</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
-a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	6,33,600	-	6,33,600	31.99	6,33,600	-	6,33,600	31.99	-
ii) Overseas	5,94,000	-	5,94,000	29.99	5,94,000	-	5,94,000	29.99	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	4	4	0.0002	-	4	4	0.0002	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
<b>c) Others (specify)</b>	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(2):</b>	<b>12,27,600</b>	<b>4</b>	<b>12,27,604</b>	<b>62.00</b>	<b>12,27,600</b>	<b>4</b>	<b>12,27,604</b>	<b>62.00</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>12,27,600</b>	<b>4</b>	<b>12,27,604</b>	<b>62.00</b>	<b>12,27,600</b>	<b>4</b>	<b>12,27,604</b>	<b>62.00</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>19,80,000</b>	<b>6</b>	<b>19,80,006</b>	<b>100</b>	<b>19,80,000</b>	<b>6</b>	<b>19,80,006</b>	<b>100</b>	<b>-</b>



**ii) Shareholding of Promoters**

S.No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Gayatri Highways Limited	3,96,000	19.99	-	3,96,000	19.99	-	-
2	IL & FS Engineering & Construction Co. Ltd.	3,56,400	17.9999	100	3,56,400	17.9999	100	-
3	T V Sandeep Kumar Reddy	1	0.00005	-	1	0.00005	-	-
4	J. Brij Mohan Reddy	1	0.00005	-	1	0.00005	-	-
<b>Total</b>		<b>7,52,402</b>	<b>38.00</b>	<b>17.99</b>	<b>7,52,402</b>	<b>38.00</b>	<b>17.99</b>	<b>-</b>

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

S. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	7,52,402	38.00	-	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
	At the end of the year	-	-	7,52,402	38.00

**iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	12,27,604	62.00	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	12,27,604	62.00

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

**V. INDEBTEDNESS**

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

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	<b>136,31,33,992</b>	<b>23,61,04,444</b>	-	<b>213,06,05,141</b>
ii) Interest due but not paid	-	-	-	<b>1,68,13,297</b>
iii) Interest accrued but not due	-	<b>3,77,76,711</b>	-	<b>34,46,37,876</b>
<b>Total (i+ii+iii)</b>	<b>136,31,33,992</b>	<b>27,38,81,155</b>	<b>Nil</b>	<b>249,20,56,314</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	-	<b>4,38,20,985</b>	-	<b>4,38,20,985</b>
Reduction	<b>41,85,70,600</b>	-	-	<b>41,85,70,600</b>
<b>Net Change</b>	<b>(41,85,70,600)</b>	<b>4,38,20,985</b>	<b>Nil</b>	<b>(37,47,49,615)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	<b>94,45,63,392</b>	<b>23,61,04,444</b>	-	<b>118,06,67,836</b>
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	<b>8,15,97,696</b>	-	<b>8,15,97,696</b>
<b>Total (i+ii+iii)</b>	<b>94,45,63,392</b>	<b>31,77,02,140</b>	<b>Nil</b>	<b>126,22,65,532</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the Financial year company has not paid any remuneration to the Directors and Managerial personnel.

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
1.	Gross Salary	-	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	as % of profit	-	-	-
	others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	-	-	-

**B. Remuneration to other directors:****1. Independent Directors**

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. Ch. Harivithal Rao	Mr. M.V. Narasimha Rao	-
	-Fee for attending Board/Committee Meetings	30,000	20,000	50,000
	-Commission			
	- Others, please specify			
	<b>Total (B)(1)</b>	<b>30,000</b>	<b>20,000</b>	<b>50,000</b>

**2. Other Non Executive Directors**

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
	-Fee for attending Board/Committee Meetings	-	-	-
	-Commission	-	-	-
	- Others, please specify	-	-	-
	<b>Total (B)(2)</b>	-	-	-
	<b>Total (B)= (B)(1)+ (B)(2)</b>	<b>30,000</b>	<b>20,000</b>	<b>50,000</b>

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
<b>1.</b>	<b>Gross salary</b>	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
<b>2.</b>	Stock Option	-	-	-	-
<b>3.</b>	Sweat Equity	-	-	-	-
<b>4.</b>	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify...	-	-	-	-
<b>5.</b>	Others, please specify	-	-	-	-
	<b>Total</b>	-	-	-	-

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:** There are no Penalties, punishment, compounding of offences on the Company.

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board

Place: Hyderabad

Date: 22<sup>nd</sup> May, 2019



**T. Rajiv Reddy**

**Director**

**DIN: 06859435**



**Ch. Harivithal Rao**

**Director**

**DIN:00012970**

**Form No. AOC-2**

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

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


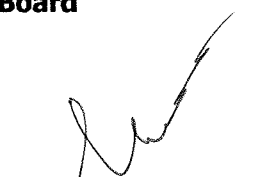
1. Details of contracts or arrangements or transactions not at arm's length basis

(a) Name(s) of the related party and nature of relationship	NIL
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

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

(a) Name(s) of the related party and nature of relationship	During the year, no material contracts or arrangements have been entered into by the Company.
(b) Nature of contracts/arrangements/transactions	Not Applicable
(c) Duration of the contracts / arrangements/transactions	Not Applicable
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Not Applicable
(e) Date(s) of approval by the Board, if any:	Not Applicable
(f) Amount paid as advances, if any:	Not Applicable

For and on behalf of the Board

Place: **Hyderabad**Date: **22<sup>nd</sup> May, 2019**
  
**T. Rajiv Reddy**  
**Director**  
**DIN: 06859435**
  
**Ch. Harivithal Rao**  
**Director**  
**DIN:00012970**





# RAO & KUMAR ASSOCIATES

## CHARTERED ACCOUNTANTS

### INDEPENDENT AUDITOR'S REPORT

To the Members of  
Cyberabad Expressways Limited

#### Report on the audit of the Standalone Ind AS Financial Statements

##### Opinion

We have audited the Standalone Ind AS financial statements of **Cyberabad Expressways 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 RAO & KUMAR ASSOCIATES**

**Chartered Accountants**

Regn. No. 003093S

*K. Sailesh.*

**SAILESH KOTHA**

Partner

M. No. 238106

Place : Hyderabad

Date : 22<sup>nd</sup> May 2019



**Annexure 'A' to the Independent Auditor's Report of CYBERABAD EXPRESSWAYS LIMITED for the Year ended as on 31<sup>st</sup> 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 company has no immovable property hence paragraph 3(i)(c) of the Order is not applicable to 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, service tax, value added tax, cess 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, 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. The company has taken term loans from various banks and a financial institution. During the year, the company has not defaulted in repayment of loans or borrowing to a banks and financial institution .The Company has not taken any loans or borrowings from Government and has not issued any debentures during the year.



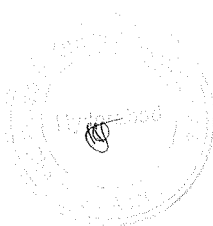
- ix. Money raised by way of term loans were applied for the purpose for which it was raised. The Company has not raised money by way of initial public offer or further public offer.
- x. According to the information and explanation given to us by the management which have been relied by us, there were 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 clause 3 (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 RAO & KUMAR ASSOCIATES**  
**Chartered Accountants**  
Regn. No. 003093S

*K. Sailesh,*

**SAILESH KOTHA**  
Partner  
M. No. 238106

Place : Hyderabad  
Date : 22<sup>nd</sup> 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 **Cyberabad Expressways 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**

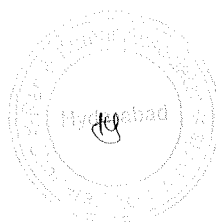
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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

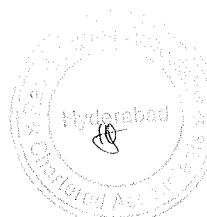
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria 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 RAO & KUMAR ASSOCIATES**  
**Chartered Accountants**  
Regn. No. 003093S

*K. Sailesh,*

**SAILESH KOTHA**  
Partner  
M. No. 238106

Place : Hyderabad  
Date : 22<sup>nd</sup> May 2019





# CYBERABAD EXPRESSWAYS LIMITED

Balance Sheet as at 31 March 2019

(All amounts in Rs unless otherwise stated)

(All amounts in Rs unless otherwise stated)			
	Notes	As at	
		31 March 2019	31 March 2018
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	3	12,32,004	15,56,100
Financial assets			
(i) Other financial assets	4	1,53,29,22,852	1,95,60,51,414
Other non-current assets	5	4,41,78,139	2,83,74,180
<b>Total Non-current Assets</b>		<b>1,57,83,32,995</b>	<b>1,98,59,81,694</b>
<b>Current Assets</b>			
Financial assets			
(i) Trade receivables	6	-	16,56,00,001
(ii) Cash and cash equivalents	7	43,57,859	5,13,95,796
(iii) Other financial assets	8	68,91,76,599	63,58,86,688
Other current assets	9	7,93,258	8,07,943
<b>Total Current Assets</b>		<b>69,43,27,716</b>	<b>85,36,90,428</b>
<b>Total Assets</b>		<b>2,27,26,60,711</b>	<b>2,83,96,72,122</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	1,98,00,060	1,98,00,060
Other Equity	11	(59,56,74,520)	(58,28,96,524)
<b>Total Equity</b>		<b>(57,58,74,460)</b>	<b>(56,30,96,464)</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
(i) Long-term borrowings	12	74,00,62,532	1,18,54,44,547
Provisions	13	16,43,47,264	30,82,47,744
<b>Total Non-current Liabilities</b>		<b>90,44,09,796</b>	<b>1,49,36,92,291</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Trade payables	14	5,39,97,056	2,42,99,531
(ii) Other financial liabilities	15	1,83,76,21,034	1,84,32,49,980
Provisions	16	5,00,45,042	4,11,82,455
Other current liabilities	17	24,62,243	3,44,329
<b>Total Current Liabilities</b>		<b>1,94,41,25,375</b>	<b>1,90,90,76,295</b>
<b>Total Equity and Liabilities</b>		<b>2,27,26,60,711</b>	<b>2,83,96,72,122</b>

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For **RAO & KUMAR ASSOCIATES**

Chartered Accountants

Firm Regn. No. 003093S

*K. Sailesh*

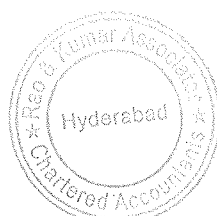
**SAILESH KOTHA**

Partner

Membership No. 238106

Place: Hyderabad

Date: 22nd May 2019



For and on behalf of the Board

*T. Rajiv Reddy*

**T. RAJIV REDDY**

Director

DIN: 06859435

*CH. Harivithal Rao*

**CH. HARIVITHAL RAO**

Director

DIN: 00012970

**CYBERABAD EXPRESSWAYS LIMITED****Statement of profit and loss for the year ended 31 March 2019**

(All amounts in Rs unless otherwise stated)

	Notes	For the year ended	
		31 March 2019	31 March 2018
Revenue from operations	18	10,06,21,288	9,93,02,352
Financial Income	19	31,95,40,061	36,73,40,227
Other income	20	78,80,651	29,84,705
<b>Total Income</b>		<b>42,80,42,000</b>	<b>46,96,27,284</b>
<b>Expenses</b>			
Operation & Maintenance Expenses	21	12,51,00,165	13,23,28,896
Employee benefits expenses	22	70,80,000	60,00,000
Finance Costs	23	29,43,06,360	35,95,58,789
Depreciation and Amortisation Expenses	24	3,24,096	2,00,635
Other Expenses	25	1,40,09,375	1,45,95,874
<b>Total expenses</b>		<b>44,08,19,996</b>	<b>51,26,84,194</b>
Profit before exceptional items and tax		(1,27,77,996)	(4,30,56,910)
Add: Exceptional items		-	-
Profit before tax		(1,27,77,996)	(4,30,56,910)
Less: Tax expense		-	-
(1) Current tax		-	-
<b>Profit for the period</b>		<b>(1,27,77,996)</b>	<b>(4,30,56,910)</b>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the period</b>		<b>(1,27,77,996)</b>	<b>(4,30,56,910)</b>
<b>Earnings per Equity share:</b>			
(1) Basic (in Rs.)		(6.45)	(21.75)
(2) Diluted (in Rs.)		(0.29)	(0.96)

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

**For RAO & KUMAR ASSOCIATES**

Chartered Accountants

Firm Regn. No. 0030935

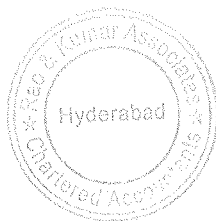
*K. Sailesh***SAILESH KOTHA**

Partner

Membership No. 238106

Place: Hyderabad

Date: 22nd May 2019



For and on behalf of the Board

*T. Rajiv Reddy***T. RAJIV REDDY**

Director

DIN: 06859435

*CH. Harivithal Rao***CH. HARIVITHAL RAO**

Director

DIN: 00012970

**CYBERABAD EXPRESSWAYS LIMITED**
**Statement of Cash Flows for the year ended 31 March 2019**

(All amounts in Rs unless otherwise stated)

Particulars	31 March 2019	31 March 2018
<b>Net profit / (loss) before tax and extraordinary items</b>	(1,27,77,996)	(4,30,56,910)
<b>Adjustment for</b>		
Depreciation and amortisation expense	3,24,096	2,00,635
Interest expense	29,29,93,531	35,92,04,171
Interest income	-	-
Dividend from Mutual Funds	(64,99,127)	(9,27,700)
<b>Operating profit before working capital changes</b>	<b>27,40,40,504</b>	<b>31,54,20,196</b>
<b>Adjustments for:</b>		
(Increase) / Decrease in Trade Receivables	16,56,00,001	22,14,99,999
(Increase) / Decrease in Other Financial Assets	36,98,38,651	32,33,57,421
(Increase) / Decrease in Other Current Assets	14,685	562
Increase / (Decrease) in Long Term Provisions	(14,39,00,480)	10,62,75,822
Increase / (Decrease) in Trade Payables	2,96,97,525	(4,99,449)
Increase / (Decrease) in Other Financial Liabilities	(10,26,60,004)	(22,27,57,147)
Increase / (Decrease) in Short Term Provisions	88,62,587	(1,78,43,812)
Increase / (Decrease) in Other Current Liabilities	21,17,914	(1,32,21,049)
	60,36,11,383	71,22,32,543
Income tax paid, net of refund	(1,58,03,959)	(4,037)
<b>Net Cash(used in)/generated from Operating Activities</b>	<b>A 58,78,07,424</b>	<b>71,22,28,506</b>
<b>Cash flow from investing activities</b>		
Dividend from Mutual Funds	64,99,127	9,27,700
Purchase of Fixed Assets	-	(10,09,261)
Interest received	-	-
<b>Net cash (used in)/generated from investing activities</b>	<b>B 64,99,127</b>	<b>(81,561)</b>
<b>Cash flow from financing activities</b>		
Repayment of long term borrowings	(44,53,82,015)	(36,67,29,680)
Interest paid	(19,59,62,473)	(29,78,44,171)
<b>Net cash (used in)/generated from financing activities</b>	<b>C (64,13,44,488)</b>	<b>(66,45,73,851)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(4,70,37,937)</b>	<b>4,75,73,094</b>
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>5,13,95,796</b>	<b>38,22,702</b>
<b>Cash and cash equivalents as at the end of the year</b>	<b>43,57,859</b>	<b>5,13,95,796</b>
<b>Cash and cash equivalents comprises of:</b>		
Cash on hand	14,772	28,642
Balances with banks in current accounts	43,43,086	5,13,67,154
<b>Total</b>	<b>43,57,859</b>	<b>5,13,95,796</b>

**Notes:**


- Cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Cash Flow statements
- Cash and cash equivalents represent cash and bank balances.
- Previous year's figures have been regrouped/reclassified wherever applicable.

As per our report of even date attached

**For RAO & KUMAR ASSOCIATES**

Chartered Accountants

Firm Regn. No. 0030935

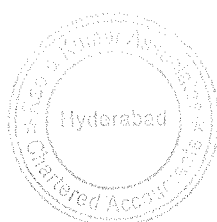

**SAILESH KOTHA**

Partner

Membership No. 238106

Place: Hyderabad

Date: 22nd May 2019



For and on behalf of the Board


**T. RAJIV REDDY**

Director

DIN: 06859435


**CH. HARIVITHAL RAO**

Director

DIN: 00012970

**CYBERABAD EXPRESSWAYS LIMITED**

**Statement of Changes in Equity for the year ended 31 March 2019**

(All amounts in Rs unless otherwise stated)

**A. Equity share capital**

Particulars	Number of shares	Share capital (Amount in Rs.)
<b>Equity Shares fully paidup having face value of Rs 10/- each</b>		
Balance as at 31st March 2017	19,80,006	1,98,00,060
Issued during the period	-	-
Balance as at the 31st March 2018	19,80,006	1,98,00,060
Issued during the period	-	-
<b>Balance as at the 31st March 2019</b>	<b>19,80,006</b>	<b>1,98,00,060</b>

**B. Other Equity**

**For the period ended 31st March 2018**

**(Amount in Rs.)**

Particulars	Equity component of compound financial instruments	Retained Earnings	Total
Balance at the beginning of the reporting period i.e. 01.04.2017	27,62,37,876	(1,07,58,73,046)	(79,96,35,170)
Changes during the period	25,97,95,556	-	25,97,95,556
Total Comprehensive Income for the year	-	(4,30,56,910)	(4,30,56,910)
<b>Balance at the end of the reporting period i.e. 31.03.2018</b>	<b>53,60,33,432</b>	<b>(1,11,89,29,956)</b>	<b>(58,28,96,524)</b>

**For the period ended 31st March 2019**

**(Amount in Rs.)**

Particulars	Equity component of compound financial instruments	Retained Earnings	Total
Balance at the beginning of the reporting period i.e. 01.04.2018	53,60,33,432	(1,11,89,29,956)	(58,28,96,524)
Total Comprehensive Income for the period	-	(1,27,77,996)	(1,27,77,996)
<b>Balance at the end of the reporting period i.e. 31.03.2019</b>	<b>53,60,33,432</b>	<b>(1,13,17,07,952)</b>	<b>(59,56,74,520)</b>

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

**For RAO & KUMAR ASSOCIATES**

Chartered Accountants

Firm Regn. No. 003093S

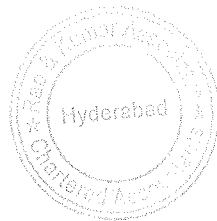
**SAILESH KOTHA**

Partner

Membership No. 238106

Place: Hyderabad

Date: 22nd May 2019



For and on behalf of the Board

**T. RAJIV REDDY**

Director

DIN: 06859435

**CH. HARIVITHAL RAO**

Director

DIN: 00012970

**Cyberabad Expressways Limited**  
**Summary of Significant Accounting Policies and Other Explanatory Information**  
(All amounts in ₹ unless otherwise stated)

**1. Corporate information**

M/s Cyberabad Expressways Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is a Special Purpose Vehicle (SPV) incorporated on 3<sup>rd</sup> August, 2007 for the execution of the project "To Design, Construction, Development, Operation and Maintenance of eight lane access controlled Expressway under phase IIA programme as an extension of Phase IIA of Outer Ring Road (ORR) to Hyderabad City, in the state of Andhra Pradesh, India, for the package from Kollur to Patancheru from 12.00 Km to 23.70 Km ( Project reference No ORR/PH/II-A/BOT/AP02) on Build, Operate and Transfer (BOT) (Annuity) basis". The Company has entered into a concession Agreement with Hyderabad Growth Corridor Limited (HGCL), which has specified 30 months of construction period and 12.5 years of operations and maintenance period. The Company has achieved provisional Completion Certificate with effect from 30<sup>th</sup> March 2012. The company has applied for Final Completion Certificate.

**2. Summary of significant accounting policies**

**a) Basis of preparation of financial statements**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are 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. Unless otherwise stated, the accounting policies applied by the Group are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the group's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of work and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the group has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities

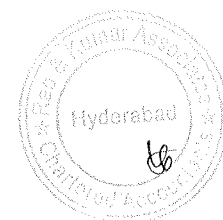
**b) Use of estimates**

The preparation of the consolidated financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statements and amounts of income and expenses. Examples of such estimates include the provision for doubtful receivables, determination of recoverable amounts of fixed assets, deferred tax assets, employee benefits and useful lives of fixed assets.

Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

**c) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



**Cyberabad Expressways Limited**  
**Summary of Significant Accounting Policies and Other Explanatory Information**  
(All amounts in ₹ unless otherwise stated)

**a. Financial Asset**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through the Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, a 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

**Derecognition**

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

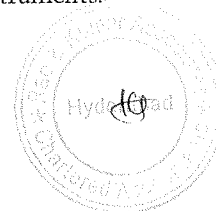
- a) the rights to receive cash flows from the asset have expired, or
- b) the Company has transferred its rights to receive cash flows from the asset, and (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- c) The income pertains to the construction period will be used to derecognise/adjust against Financial Asset.

**b. Financial Liability**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through the Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.



**Cyberabad Expressways Limited**  
**Summary of Significant Accounting Policies and Other Explanatory Information**  
(All amounts in ₹ unless otherwise stated)

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through the Statement of Profit and Loss**

Financial liabilities at fair value through the Statement of Profit and Loss (FVTPL) include financial liabilities designated upon initial recognition as at fair value through the Statement of Profit and Loss. Financial liabilities designated upon initial recognition at fair value through the Statement of Profit and Loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in Other Comprehensive Income (OCI). These gains/ loss are not subsequently transferred to P&L.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through the Statement of Profit and Loss.

**Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of the Statement of Profit and Loss.

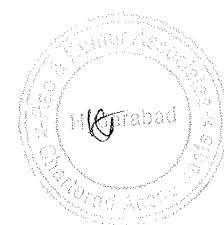
**Derecognition**

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

**d) Fixed assets**

Tangible assets are stated at cost of acquisition, less accumulated depreciation thereon. The cost of an item of fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Intangible assets represent commercial rights to collect toll fee in relation to roads projects which has been accounted at the cost incurred on the project activity towards reconstruction, strengthening, widening, rehabilitation of the roads on build, operate and transfer basis. It includes all direct material, labour and subcontracting costs, inward freight, duties, taxes, obligation towards negative grant payable to concessionaires, if any, and any directly attributable expenditure on making the commercial right ready for its intended use.



**Cyberabad Expressways Limited**  
**Summary of Significant Accounting Policies and Other Explanatory Information**  
(All amounts in ₹ unless otherwise stated)

**e) Depreciation and amortization**

Depreciation of tangible assets is provided on the basis of straight line method in accordance with Schedule II to the Companies Act, 2013.

**f) Impairment**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

**g) Revenue**

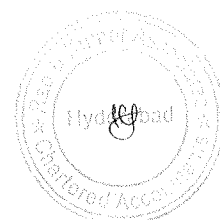
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

*Contract revenue*

- Revenue from construction contracts is recognized using percentage completion method as prescribed under Ind AS 11 "Construction Contracts" and with reference to stage of completion of the contract activity, at the reporting date. Depending on the nature and terms of individual contract, stage of completion is determined on the basis of the proportion of costs incurred for the work performed till date to the total estimated contract costs.
- Price escalation and other claims and/or variation in the contract work are included in the contract revenue only when:
  - Negotiations have reached an advanced stage such that it is probable that the customer will accept the claim; and
  - The amount that is probable will be accepted by the customer and can be measured reliably.
- Revenue from services rendered on a time and material basis is recognised as per the terms of contracts with customers and as and when the related services are performed. Revenue from fixed price arrangements is recognised using the completed contract method and accordingly, work completed and not billed, if any, is recognised as unbilled revenue as at the Balance Sheet date.

*Development of highways*

In case of companies involved in construction and maintenance of roads, Once the infrastructure is in operation. In intangible assets modal, toll revenue from operations is recognised on accrual basis which coincides with the collection of toll. In financial assets modal, finance income is recognized using the effective interest method and revenue from operations and maintenance services (including periodic maintenance) are recognized in each period as and when services are rendered in accordance with Ind AS 18 revenue.





**Cyberabad Expressways Limited**  
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(All amounts in ₹ unless otherwise stated)

*Interest income*

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

*Dividend income*

Dividend income is accounted for when the right to receive is established.

**h) Borrowings Costs**

In Case of concession arrangement under financial asset model, borrowing Costs that are attributable to the acquisition and/or construction of the infrastructure are charged to The Statement of Profit and Loss in the period in which such costs are incurred.

In Case of concession arrangement under intangible asset model, borrowing cost of qualifying assets are capitalized as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. Any income on the temporary investments of borrowings is deducted from the borrowing cost. All borrowing cost subsequent to the capitalization of the intangible assets are charged to the Statement of Profit and Loss in the period in which such costs are incurred.

**i) Earnings/(loss) per share**

Basic earnings per share are calculated by dividing the net the Statement of Profit and Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net the Statement of Profit and Loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

**j) Employee Benefits**

Provisions for/contributions to retirement benefit schemes are made as follow as per Indian Accounting Standard (Ind AS) – 19, “Employee Benefits:

- a) Provident fund on actual liability basis
- b) Gratuity based on actuarial valuation
- c) Leave encashment benefit on retirement on actuarial valuation basis.

**k) Taxes on Income**

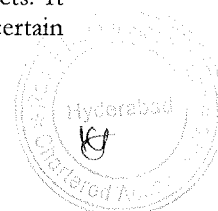
*Current Tax*

Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

*Deferred Tax*

Deferred Tax is recognized on timing differences between the accounting income and the taxable income for the year, and qualified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

At each reporting date, the entities in the group re-assess unrecognised deferred tax assets. It recognizes unrecognised deferred tax asset to the extent that it has become reasonably certain



**Cyberabad Expressways Limited**  
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(All amounts in ₹ unless otherwise stated)

or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The entities in the group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

**l) Cash and Cash Equivalents**

Cash and cash equivalents in the cash flow statement comprise of cash at bank and on hand and include short term investments with an original maturity of three months or less.

**m) Provisions and contingent liabilities**

Provision is recognized when the Company has a present obligation as a result of a past event and when 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. Provisions are not discounted to their present value and are determined based on management's best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. A disclosure of a contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.

**n) Claims**

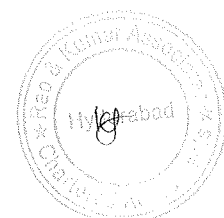
- a. Company's claims against the Concessioneing Authority for additional scope of work, utility shifting etc. are accounted for as and when received.
- b. Contractor's claims regarding additional scope of work, utility shifting etc. are accounted for when related claims of the Company are received from the Concessioneing Authority.
- c. Other claims against/by the company are accounted for as and when accepted.

**o) Pre-operative Expenditure**

Incidental expenditure incurred during construction period towards "Concessioneire Asset" is capitalised on completion of construction and obtaining related COD.

**p) Foreign currency transactions and derivatives**

- a. The reporting currency of the company is the Indian Rupee.
- b. Foreign currency transactions are recorded on initial recognition in the foreign currency, using the exchange rate on the date of the transaction.
- c. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of monetary items at the closing rate are adjusted in pre-operative expenses.



**Summary of Significant Accounting Policies and Other Explanatory Information**  
(All amounts in Rs unless otherwise stated)

## FY 2018-19

FY 2017-18

**CYBERABAD EXPRESSWAYS LIMITED**

**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

**4 Other Financial Assets - Noncurrent**

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	2,32,58,90,066	2,64,92,47,487
Less: Recognised Annuity for the period	(79,00,00,000)	(79,00,00,000)
Add: Financial Income	31,95,40,061	36,73,40,227
Add: Operating Income - O&M & MMR	10,06,21,288	9,93,02,352
<b>Closing Balance</b>	<b>1,95,60,51,414</b>	<b>2,32,58,90,066</b>
Less: Transferred to Current Financial Asset	(42,31,28,563)	(36,98,38,652)
<b>Closing Non-current Financial asset</b>	<b>1,53,29,22,852</b>	<b>1,95,60,51,414</b>

**5 Other Non Current Assets**

Particulars	As at March 31, 2019	As at March 31, 2018
Electricity - Security Deposit	7,54,235.00	7,54,235.00
Taxes Asset (Net) -		
Income tax Refund Receivable	2,76,19,945	1,18,15,908
TDS Receivable	1,58,03,959	1,58,04,037
Less: Provision for Tax	-	-
<b>Total</b>	<b>4,41,78,139</b>	<b>2,83,74,180</b>

**6 Trade Receivables**

Particulars	As at March 31, 2019	As at March 31, 2018
Amount Receivable from Hyderabad Growth Corridor Ltd. towards Annuity	-	16,56,00,001
<b>Total</b>	<b>-</b>	<b>16,56,00,001</b>

No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Also no trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

**7 Cash and Cash Equivalents**

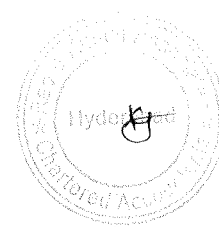
Particulars	As at March 31, 2019	As at March 31, 2018
<b>Balances with Banks</b>		
On current account	43,43,086	5,13,67,154
Cash in Hand	14,772	28,642
<b>Total</b>	<b>43,57,859</b>	<b>5,13,95,796</b>

**8 Other Financial Assets - Current**

Particulars	As at March 31, 2019	As at March 31, 2018
Financial Asset - Carriageway	42,31,28,563	36,98,38,652
<b>Due from Related Party</b>		
Capital & Work Advances	4,08,97,960	4,08,97,960
Other Advances	16,06,120	16,06,120
Annuity Accrued but not due	22,35,43,956	22,35,43,956
<b>Total</b>	<b>68,91,76,599</b>	<b>63,58,86,688</b>

**9 Other Current Assets**

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid Expenses	7,93,258	8,07,943
<b>Total</b>	<b>7,93,258</b>	<b>8,07,943</b>



**CYBERABAD EXPRESSWAYS LIMITED**

**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

**10 Equity Share Capital**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Amount in Rs.	Number	Amount in Rs.
<b>SHARE CAPITAL</b>				
<b>AUTHORISED:</b>				
Equity Shares of Rs.10/- each	20,00,000	2,00,00,000	20,00,000	2,00,00,000
	<b>20,00,000</b>	<b>2,00,00,000</b>	<b>20,00,000</b>	<b>2,00,00,000</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP:</b>				
Equity Shares of Rs.10/- each fully paid up.	19,80,006	1,98,00,060	19,80,006	1,98,00,060
<b>Total</b>	<b>19,80,006</b>	<b>1,98,00,060</b>	<b>19,80,006</b>	<b>1,98,00,060</b>

**Foot Notes:**

**i. Reconciliation of the number of shares outstanding at the beginning and as on 31st March 2019**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Amount in Rs.	Number	Amount in Rs.
Number of equity shares at the beginning of the Year	19,80,006	1,98,00,060	19,80,006	1,98,00,060
Equity shares issued during the year		-		-
Less : Shares bought back during the year		-		-
<b>Number of equity shares at the end of the Year</b>	<b>19,80,006</b>	<b>1,98,00,060</b>	<b>19,80,006</b>	<b>1,98,00,060</b>

**ii) Rights / Preferences / Restrictions attaching to Equity Shares**

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. During the year ended 31st March 2019, no dividend is declared by Board of Directors. (Previous year - Nil)

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

**iii. Shares held by holding/Ultimate holding company and/or their subsidiaries/associates**

**NIL**

**iv. Details of shareholders holding more than 5% shares in the company**

Name of the Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of shares held	% of Holding	No. of shares held	% of Holding
<b>Equity shares of 10/- each fully paid</b>				
M/s Gayatri Highways Limited	3,96,000	20.00%	3,96,000	20.00%
M/s AMP Capital Finance Mauritius Limited	5,94,000	30.00%	5,94,000	30.00%
M/s Terra Projects Private Limited	6,33,600	32.00%	6,33,600	32.00%
M/s IL&FS Engineering & Construction Company Limited	3,56,400	18.00%	3,56,400	18.00%
<b>Total</b>	<b>19,80,000</b>	<b>100.00%</b>	<b>19,80,000</b>	<b>100.00%</b>



**CYBERABAD EXPRESSWAYS LIMITED**

**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

**11 Other Equity**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>i) Equity component of 0.001% OCD:</b>		
Opening balance	53,60,33,432	27,62,37,876
Add/Less: Changes during the Period	-	25,97,95,556
Closing Balance (A)	<b>53,60,33,432</b>	<b>53,60,33,432</b>
<b>ii) RETAINED EARNINGS:</b>		
Opening balance	(1,11,89,29,956)	(1,07,58,73,046)
Add:Profit/(loss) during the year	(1,27,77,996)	(4,30,56,910)
Closing Balance (B)	<b>(1,13,17,07,952)</b>	<b>(1,11,89,29,956)</b>
<b>Total (A+B)</b>	<b>(59,56,74,520)</b>	<b>(58,28,96,524)</b>

**12 Long-term borrowings**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Secured Loans</b>		
From Banks	35,98,08,534	77,75,11,534
Financial Institution- IIFCL	6,25,51,858	13,40,51,858
<b>Total (A)</b>	<b>42,23,60,392</b>	<b>91,15,63,392</b>
<b>Unsecured Loans</b>		
0.001% Optionally Convertible Debentures	31,77,02,140	27,38,81,155
<b>Total (B)</b>	<b>31,77,02,140</b>	<b>27,38,81,155</b>
<b>Grand Total (A+B)</b>	<b>74,00,62,532</b>	<b>1,18,54,44,547</b>

**a) Nature of Security for Secured Loans:**

The loans from Banks and Others are secured by way of first pari passu charge in favour of the lenders/security agent to the project by way of hypothecation of:

- All monies including Annuity receivable from HGCL to the credit of the Escrow Account.
- All rights, title, interest, benefits, claims and demands of the company under Project Agreements subject to the provisions of the Concession agreement.
- Assignment of rights, title and interest to or in favour of the lenders pursuant to and in accordance with the Substitution Agreement as per the provisions of the Financing Documents of the Project.

**b) Terms of repayment of Secured Loans**

The Term loans from banks and financial institutions are repayable in 21 unequal installments commencing from 31st March 2011 till 31st March 2021

**c) Rate of Interest on Secured Loans**

The rate of interest on secured term loan is in accordance with the terms and conditions stipulated by the Common Loan Agreement and as mutually agreed between the Company and the lenders, which is presently at 11.50% p.a.

**d) Period and Amounts of continuing defaults as on Balance Sheet Date:**

**NIL**

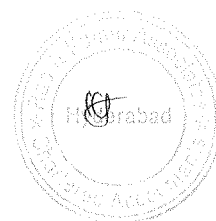
**e) Terms of repayment of 0.001% Optionally Convertible Debentures**

The issuer will have the option to convert the outstanding debentures at any time on or before the maturity date into equity shares of Rs.10 each per share.

The Debentures holder subject to consent of the Board of Directors of the Company will have a option to convert the outstanding debentures at any time on or before the maturity date into equity shares of Rs.10 each per share.

The existing Debentures holders have the Right of First refusal. The OCDs will not be listed.

Redemption premium @ 0.001% p.a on cumulative basis, calculated from the date of receipt by CEL, payable at the time of redemption on maturity date.i.e.,31st December, 2022



**CYBERABAD EXPRESSWAYS LIMITED**

**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

**13 Long Term Provision**

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for major maintainance	16,43,47,264	30,82,47,744
<b>Total</b>	<b>16,43,47,264</b>	<b>30,82,47,744</b>

**14 Trade Payables**

Particulars	As at March 31, 2019	As at March 31, 2018
Sundry Creditors	5,39,97,056	2,42,99,531
<b>Total</b>	<b>5,39,97,056</b>	<b>2,42,99,531</b>

The identification of micro, small and medium enterprise suppliers as defined under the provisions of "Micro, Small and Medium Enterprises Act, 2006" is based on Management's knowledge of their status. There are no dues to micro, small and medium enterprises as on 31 March 2019 or 31 March 2018.

**15 Other Financial liabilities - Current**

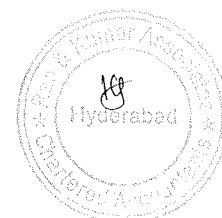
Particulars	As at March 31, 2019	As at March 31, 2018
Current maturity of long term debt	52,22,03,000	45,15,70,600
Interest Payable on term loans	-	-
Review Charges payable on Term Loans	7,40,374	4,47,907
Interest Payable on Short Term Borrowings	72,37,27,686	62,66,96,628
<b>Short Term Borrowings</b>		
From Others	15,25,55,164	15,25,55,164
From Companies having Substantial Interest	32,49,40,730	32,49,40,730
From Fellow Jointly Controlled Entities	6,26,98,442	23,73,88,442
Others payables	5,07,55,638	4,96,50,509
<b>Total</b>	<b>1,83,76,21,034</b>	<b>1,84,32,49,980</b>

**16 Short Term Provisions**

Particulars	As at March 31, 2019	As at March 31, 2018
Operating and Maintenance Fee	4,93,04,209	4,09,15,299
Provision for Other Expenses	7,40,833	2,67,156
<b>Total</b>	<b>5,00,45,042</b>	<b>4,11,82,455</b>

**17 Other Current liabilities**

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory Liabilities	24,62,243	3,44,329
<b>Total</b>	<b>24,62,243</b>	<b>3,44,329</b>



**CYBERABAD EXPRESSWAYS LIMITED**

**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

**18 Revenue from operation**

Particulars	For the period ended March 31, 2019	For the year ended March 31, 2018
Operations & Maintenance Revenue	10,06,21,288	9,93,02,352
<b>Total</b>	<b>10,06,21,288</b>	<b>9,93,02,352</b>

**19 Finance Income**

Particulars	For the period ended March 31, 2019	For the period ended March 31, 2018
Interest on Financial Asset	31,95,40,061	36,73,40,227
<b>Total</b>	<b>31,95,40,061</b>	<b>36,73,40,227</b>

**20 Other income**

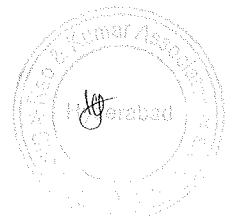
Particulars	For the period ended March 31, 2019	For the year ended March 31, 2018
Income from Insurance Claims	13,41,934	7,55,175
Dividend from Mutual Funds	64,99,127	9,27,700
Other income	39,590	-
Interest on Income Tax Refund	-	10,71,830
Profit on sale of Fixed Asset	-	2,30,000
<b>Total</b>	<b>78,80,651</b>	<b>29,84,705</b>

**21 Operating expenses**

Particulars	For the period ended March 31, 2019	For the year ended March 31, 2018
Major Maintenance Expenses	8,20,39,191	10,62,75,822
Operating & Maintenance Expenses	2,73,72,210	2,60,53,074
Other Maintenance Expenses	1,56,88,764	-
<b>Total</b>	<b>12,51,00,165</b>	<b>13,23,28,896</b>

**22 Employee benefit expenses**

Particulars	For the period ended March 31, 2019	For the year ended March 31, 2018
Salaries Charges	70,80,000	60,00,000
<b>Total</b>	<b>70,80,000</b>	<b>60,00,000</b>





**CYBERABAD EXPRESSWAYS LIMITED**

**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

**23 Finance cost**

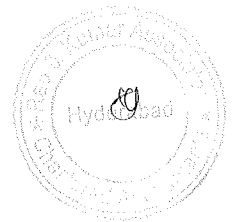
Particulars	For the period ended March 31, 2019	For the year ended March 31, 2018
Interest on Term Loans	14,13,60,258	20,09,54,561
Interest on Advances	10,78,12,288	12,04,72,899
Implicit Interest on Optionally Convertible Debentures	4,38,20,985	3,77,76,711
Bank Charges & Commission	9,63,329	3,54,618
Other Finance Charges	3,49,500	-
<b>Total</b>	<b>29,43,06,360</b>	<b>35,95,58,789</b>

**24 Depreciation and amortisation**

Particulars	For the period ended March 31, 2019	For the year ended March 31, 2018
Depreciation on Tangible Assets	3,24,096	2,00,635
<b>Total</b>	<b>3,24,096</b>	<b>2,00,635</b>

**25 Other Expenses**

Particulars	For the period ended March 31, 2019	For the year ended March 31, 2018
Insurance Expenses	63,237	64,550
Arbitration Expenses	90,56,705	68,73,500
Legal & Professional Charges	29,71,420	40,55,508
Credit Rating Fees	1,77,000	1,72,500
Rent	11,95,104	17,74,257
Audit Fee	4,13,000	2,95,000
Directors Sitting Fee	59,000	43,600
Travelling Expenses	5,153	27,504
Other Expenses	68,756	12,89,455
<b>Total</b>	<b>1,40,09,375</b>	<b>1,45,95,874</b>



**CYBERABAD EXPRESSWAYS LIMITED****Notes to financial statements for the period ended 31st March 2019**

(All amounts in Rs unless otherwise stated)

**26 Breakup of financial assets and financial liabilities carried at amortized cost**

	As at	
	31 March 2019	31 March 2018
<b>Financial assets</b>		
Receivable under SCA	1,95,60,51,414	2,32,58,90,066
Trade receivables	-	16,56,00,001
Cash and cash equivalents	43,57,859	5,13,95,796
Others	26,60,48,036	26,60,48,036
<b>Total</b>	<b>2,22,64,57,309</b>	<b>2,80,89,33,899</b>
<b>Financial liabilities</b>		
Borrowings	1,26,22,65,532	1,63,70,15,147
Trade payables	5,39,97,056	2,42,99,531
Other financial liabilities	1,31,54,18,034	1,39,16,79,380
<b>Total</b>	<b>2,63,16,80,622</b>	<b>3,05,29,94,058</b>

The carrying amount of current financial assets and current trade and other payables measured at amortised cost are considered to be the same as their fair values, due to their short term nature.

The carrying value of Rupee Term Loan and Loan from Related Party approximate fair value as the instruments are at prevailing market rate.

**27 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty 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.

**Estimates and assumptions**

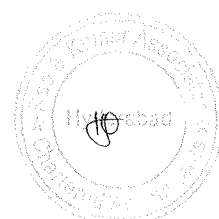
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**28 Fair Values**

The management assessed that cash and cash equivalents, trade receivables, current loans, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments or as they carry market rate of interest.

**29 Financial risk management objectives and policies**

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.



**CYBERABAD EXPRESSWAYS LIMITED**

**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

**29 Financial risk management objectives and policies (Continued)**

**a) Market Risk:**

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 is not exposed to foreign currency risk as it has no borrowing or no material payables in foreign currency. The Company's activities expose it primarily to the financial risks of changes in interest rates.

**i) Interest rate risk**

The company is exposed to interest rate risk because it borrows funds primarily at floating interest rates. However, the interest rates are dependant on base rates/prime lending rates of the lead bank which are not expected to change very frequently and the estimate of the management is that these will not have significant upward trend.

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

	As at	
	31 March 2019	31 March 2018
Senior Debt from Banks - Variable rate borrowings	94,45,63,392	1,36,31,33,992

Sensitivity analysis based on average outstanding Senior Debt

**Interest Rate Risk Analysis**

Increase or decrease in Interest rate by 25 basis points

Note: Profit will increase in case of decrease in interest rate and vice versa

	Impact on profit/ loss after tax	
	31 March 2019	31 March 2018
	28,84,622	41,78,096

**ii) Price risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The company is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss.

The company measures risk through sensitivity analysis.

The company's risk management policy is to mitigate the risk by investments in diversified mutual funds.

The company does not expose to price risks as on 31st March 2019.

**b) Credit risk**

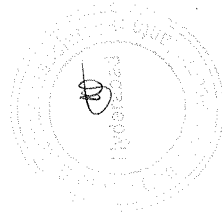
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of only dealing creditworthy counterparties. The management believes that the credit risk is negligible since its mail receivable is from the grantors of the concession which is Government Authority.

**c) Liquidity Risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company is exposed to liquidity risk due to bank borrowings and trade and other payables.

The company measures risk by forecasting cash flows.



**CYBERBAD EXPRESSWAYS LIMITED**

**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The following tables detail the company's remaining contractual maturity for its non-derivative 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 tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

As at 31st March 2019	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
<b>Non Derivative Financial Liability</b>					
Borrowings	1,26,22,65,532	37,81,70,000	88,40,95,532	-	-
Other Financial Liabilities	1,31,54,18,034	1,31,54,18,034	-	-	-
Trade payables	5,39,97,056	5,39,97,056	-	-	-

As at 31st March 2018	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
<b>Non Derivative Financial Liability</b>					
Borrowings	1,63,70,15,147	34,90,80,000	37,81,70,000	90,97,65,147	-
Other Financial Liabilities	1,39,16,79,380	1,39,16,79,380	-	-	-
Trade payables	2,42,99,531	2,42,99,531	-	-	-

The following table details the company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative 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.

As at 31st March 2019	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Receivable under SCA	1,95,60,51,414	42,31,28,563	48,42,31,139	1,04,86,91,712	-
Trade receivables	-	-	-	-	-
Cash and cash equivalents	43,57,859	43,57,859	-	-	-
Others	26,60,48,036	26,60,48,036	-	-	-
<b>As at 31st March 2018</b>					
Receivable under SCA	2,32,58,90,066	36,98,38,652	42,31,28,563	1,53,29,22,852	-
Trade receivables	16,56,00,001	16,56,00,001	-	-	-
Cash and cash equivalents	5,13,95,796	5,13,95,796	-	-	-
Others	26,60,48,036	26,60,48,036	-	-	-



# **CYBERABAD EXPRESSWAYS LIMITED**

## **Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

### **d) 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. The primary objective of the Company's capital management is to maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. 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.

	As at	
	31 March 2019	31 March 2018
Debts	2,52,61,87,554	2,97,85,96,111
Less: Cash and Bank Balances	43,57,859	5,13,95,796
(A)	<b>2,53,05,45,413</b>	<b>3,02,99,91,907</b>
Equity & Other equity (B)	(57,58,74,460)	(56,30,96,464)
Net Debt / Total Capital (A/B)	(4.39)	(5.38)
Debits include		
Debits include Long term borrowing (including its current maturities) and interest accrued thereon.		

### **30 Disclosure pursuant to Appendix - A to Ind AS 11 - " Service Concession Arrangements"**

#### **Description and classification of the arrangement**

M/s Cyberabad Expressways Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is a Special Purpose Vehicle (SPV) incorporated on 3rd August, 2007 for the execution of the project" To Design, Construction, Development, Operation and Maintenance of eight lane access controlled Expressway under phase IIA programme as an extension of Phase IIA of Outer Ring Road (ORR) to Hyderabad City, in the state of Andhra Pradesh, India, for the package from Kollur to Patancheru from 12.00 Km to 23.70 Km ( Project reference No ORR/PH/II-A/BOT/AP02) on Build, Operate and Transfer (BOT) (Annuity) basis". The Company has entered into a concession Agreement with Hyderabad Growth Corridor Limited (HGCL), which has specified 30 months of construction period and 12.5 years of operations and maintenance period. The Company has achieved provisional Completion Certificate with effect from 30th March 2012. The company has applied for Final Completion Certificate.

#### **Significant Terms of the arrangements**

##### **Receipt of Annuity:**

Annuities shall be received semi-annually subject to the provisions Clause 6.1 of the Concession Agreement dated August 17, 2007.

##### **Concession Fee and Other Fees:**

As per Clause 7A.1 of the Concession Agreement, the company is liable to pay Concession Fee Re 1 every year during the Concession Agreement

##### **Obligation of the Company**

The company is under obligation to undertake, comply with and perform as per the Chapter-III "Obligations and Undertakings" of the Concession Agreement.

##### **Operation & Maintenance**

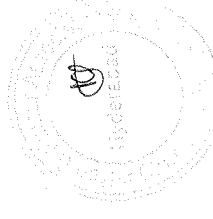
The company is under obligation to carry out the routine and periodic maintenance of Project Highway as per Clause XVIII of the Concession Agreement.

##### **Details of any assets to be given or taken at the end of concession period**

At the end of the Concession period the company shall deliver the actual or constructive possession of the Project Highway, free and clear of all encumbrances.

##### **Details of Termination**

CA can be terminated on account of default of the company or HGCL in the circumstances as specified under chapter-VII of the Concession Agreement.



**CYBERABAD EXPRESSWAYS LIMITED**

**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

**31 Disclosure pursuant to Ind AS 23 "Borrowing Costs"**

	As at	
	31 March 2019	31 March 2018
Finance Cost	29,43,06,360	35,95,58,789
Less : Capitalized during the year	-	-
Finance Cost charged to Statement of P/L	29,43,06,360	35,95,58,789

**32 Disclosures as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent assets "**

**(a) Nature of provision:**

The company is required to operate and maintain the project highway during the entire concession period and hand over the project back to the Authority (NHAI) as per the maintenance standards prescribed in Concession agreement.

For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally periodic maintenance includes resurface of pavements, repairs of structures and other equipments and maintenance of service roads.

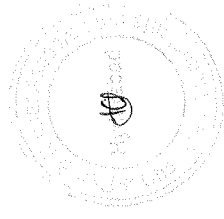
As per industry practice, the periodic maintenance is expected to occur after 5-7 years. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the accounts annually.

**(b) Movement in provisions:**

	As at	
	31 March 2019	31 March 2018
Opening balance (Major Maintenance Provision)	30,82,47,744	20,19,71,922
Additional provision	8,20,39,191	10,62,75,822
Utilised	22,59,39,671	-
Unused amounts reversed	-	-
Unwinding of discount and changes in discount rate	-	-
Closing balance	16,43,47,264	30,82,47,744

**(c)Contingent liabilities**

	As at	
	31 March 2019	31 March 2018
Claims against the company not acknowledged as debt	-	-
Guarantees	-	-
- Other money for which the company is contingently liable	-	-



**CYBERABAD EXPRESSWAYS LIMITED****Notes to financial statements for the period ended 31st March 2019**

(All amounts in Rs unless otherwise stated)

- 33 There have been no reported transaction during the year with Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Hence, reporting details of principal and interest does not arise.

**34 Contingent Liabilities and Commitments (to the extent not provided for) and Contingent Asset**

Claims against the company/disputed liabilities not acknowledged as debts-Rs Nil ( As at 31.03.2018-Rs Nil)

Estimated amount of Contracts remaining to be executed on Capital Account - Nil (As at 31.03.2018 - Nil)

**35 Related Party Disclosures****a) Names of Related Parties**

Name of the Company
Gayatri Highways Limited (GHL)
IL & FS Engineering and Construction Company Ltd.
Terra Projects Private Limited.
AMP Capital Finance Mauritius Limited
Hyderabad Expressways Limited
Gayatri Projects Limited
Deep Corporation Private Limited

**b) Details of Related Party transactions and Period end outstanding**

Particulars	Amount of Transaction	Amount in Rupees	
		Debit Balance as on 31.03.2019	Credit Balance as on 31.03.2019
Subscription of Equity	-	-	1,98,00,000
	-	-	(1,98,00,000)
0.001% Optionally Convertible Debentures	-	-	31,77,02,140
	-	-	(27,38,81,155)
Short term Borrowing	(17,46,90,000)	-	54,01,94,336
	1,31,71,550	-	(71,48,84,336)
Interest on Short term borrowing	10,78,12,288	-	72,37,27,686
	(13,16,75,316)	-	(62,66,96,628)
Emergency Earthwork	-	-	1,49,75,795
	-	-	(1,49,75,795)
Reimbursement of Expenses	-	-	38,65,620
	-	-	(38,65,620)
EPC Work	-	4,44,23,871	-
	-	(4,44,23,871)	-
Special Advance	-	12,31,57,321	-
	-	(12,31,57,321)	-
Change of Scope	-	-	1,96,87,425
	-	-	(1,96,87,425)
Rent	11,95,104	-	-
	(17,74,257)	-	-

**Note:** Figures in bracket represents Previous year figures i.e., 31st March 2018**36 Employee Benefit:**

The Company has no liability for employee benefits, in accordance with the provisions of Ind AS-19 "Employee Benefits". Hence, no provision has been made in the books of account.



**CYBERABAD EXPRESSWAYS LIMITED**

**Notes to financial statements for the period ended 31st March 2019**

(All amounts in Rs unless otherwise stated)

37	Payments to auditors	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
	<b>Auditors' Remuneration (including service tax)</b>		
	a) For audit	3,54,000	2,36,000
	b) For taxation matters	59,000	59,000
	c) For Other Services	-	-
	<b>Total</b>	<b>4,13,000</b>	<b>2,95,000</b>

**38 Segment**

The Company is engaged in the business of setting up of infrastructure facility by way of development of infrastructure projects, operation and maintenance of infrastructural facilities. As such, all activities undertaken by the Company are incidental to the main business. There are no separate reportable business segments as per IND AS 108 on "Operating Segment".

**39 Taxation**

The company does not have taxable income and hence provision for current tax has not been made. The company is eligible for deduction under section 80IA of Income Tax Act 1956 and the tax holiday period of the company's project falls within the concession period of the company as defined in Section 80IA. Since deferred tax on timing difference between accounting income and taxable income that arise during the year is reversing during such tax holiday period, no deferred tax asset/liability arises and accordingly no provision is made in the accounts.

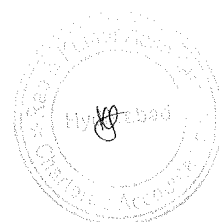
**40 Earnings per share**

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows.

Particulars	As at Mar 31, 2019	As at Mar 31, 2018
(a) Profit after tax attributable to Equity Shareholders	(1,27,77,996)	(4,30,56,910)
Weighted average number of Equity Shares (in No.)	19,80,006	19,80,006
Nominal Value of Equity per share	10	10
Basic Earnings per share	(6.45)	(21.75)
(b) the weighted average number of equity shares outstanding during the period is increased by the weighted average number of additional equity shares which would have been outstanding assuming the conversion of all dilutive potential equity shares.	4,47,30,006	4,47,30,006
Diluted Earnings per share	(0.29)	(0.96)

**41** Balances of amounts payable, advances and related party transactions are subject to confirmation, adjustments, if any, on receipt/ reconciliation of such accounts.

**42** Based on the review of the future discounted cash flow, the recoverable amount of the project facility is more than its carrying amount. Accordingly, no provision for the impairment is made in the books of accounts.





**CYBERABAD EXPRESSWAYS LIMITED****Notes to financial statements for the period ended 31st March 2019**

(All amounts in Rs unless otherwise stated)

43	Particulars	2018-19	2017-18
	(i) Expenditure in Foreign Currency -	Nil	Nil
	(ii) CIF value of Import -	Nil	Nil
	(iii) FOB value of Export -	Nil	Nil
	(iv) Earnings in Foreign Exchange -	Nil	Nil

44 In the opinion of the Board, the current assets, loans & advances, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

**45 Events after the reporting period**

There were no events occurring after the balance sheet date affecting the aforesaid financial statement.

**46 Previous year comparatives**

Previous year's figures have been regrouped / reclassified wherever necessary to conform to the current year's classification / disclosure.

47 Figures have been rounded off to the nearest rupee.

As per our report of even date attached

**For RAO & KUMAR ASSOCIATES**

Chartered Accountants

Firm Regn. No. 0030935

*K. Sailesh*

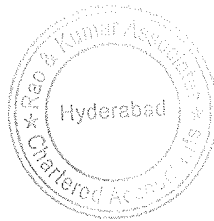
**SAILESH KOTHA**

Partner

Membership No. 238106

Place: Hyderabad

Date: 22nd May 2019



For and on behalf of the Board

*T. Rajiv Reddy*  
**T. RAJIV REDDY**  
Director  
DIN: 06859435

*CH. Harivithal Rao*  
**CH. HARIVITHAL RAO**  
Director  
DIN: 00012970