

Independent Auditors' Report

To
The Members of
OB INFRASTRUCTURE LIMITED

Report on the Standalone Ind AS financial statements

We have audited the accompanying standalone Ind AS financial statements of **OB INFRASTRUCTURE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under.

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

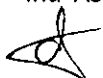
Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the



auditor considers internal financial controls relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at March 31, 2017, and its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt 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 Indian Accounting Standards prescribed under Section 133 of the Act;
 - e. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us
 - i. the Company has disclosed all known pending litigations in Note 23 to the financial statements. In this regard, the Company's management is of the opinion that the said



matter, at present, is sub judice and the outcome of which is not determinable at this stage. Accordingly, the consequential impact on the financial statements, if any, in the opinion of the management could not be quantified.

- ii. the Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
 - iii. the provisions of the Investor Education and Protection Fund are not applicable to the Company.
 - i. the Company has provided requisite disclosure in its Financial Statements as to holding as well as dealing in specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of account maintained by the Company. Refer Note 28 to the standalone Ind AS financial statements.
2. 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 Act, we give in the 'Annexure B', a statement on the matters specified in paragraphs 3 and 4 of the Order.

for M. Bhaskara Rao & Co.,
Chartered Accountants
Firm Registration No. 000459S



V K Muralidhar
Partner

Membership No.201570

Hyderabad, May 08, 2017

**Annexure A to the Independent Auditors' report
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the
Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **OB INFRASTRUCTURE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

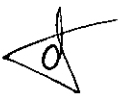
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

for M. Bhaskara Rao & Co.,
Chartered Accountants
Firm Registration No. 000459S



V K Muralidhar
Partner

Membership No.201570

Hyderabad, May 11, 2017

Annexure B to the Independent Auditors' Report

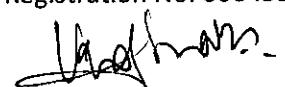
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **OB INFRASTRUCTURE LIMITED**)

- (i) In respect of its Fixed Assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - (b) According to the information and explanations given to us, the fixed assets have been physically verified during the year by the Management in accordance with a programme of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the Company and the nature of their assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no immovable properties. Accordingly, the provisions of clause 3(i)(c) is not applicable to the Company.
- (ii) In respect of its inventories the Company does not hold any inventories. Accordingly the provisions of clause 3 (ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted loans secured or unsecured loans to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the Provisions of clause 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no transactions which attracts Section 185 and Section 186 of the Companies Act 2013. Hence, reporting under the provisions of paragraph 3(iv) of the Order does not arise.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly clause 3(v) of the Order is not applicable.
- (vi) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 148(1) (d) of the Companies Act, 2013 for the Company. Accordingly clause 3(vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us and according to the books and records as produced and examined by us in accordance with the generally accepted auditing practices in India, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed applicable statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess were in arrears, as at March 31, 2017 for a period of more than six months from the date they became payable.



- (b) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty or Value Added Tax which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3 (ix) of the Order is not applicable.
- (x) During the course of our examination of the books and other records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, no managerial remuneration has been paid / provided during the year in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act 2013.
- (xii) According to the information and explanations given to us and based on our examination of the records, the Company is not a nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give 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. Accordingly, clause 3 (xiv) of the Order are not applicable.
- (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 non-cash transactions with directors or persons connected with him during the year.
- (i) The Company is registered under section 45-IA of the Reserve Bank of India Act 1934 as a Non-Banking Financial (Non-Deposit Accepting or Holding) Company ("NBFC") under the classification of Investment Company.


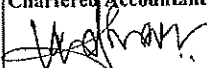

for M. Bhaskara Rao & Co.,
Chartered Accountants
Firm Registration No. 000459S



V K Muralidhar
Partner

Membership No.201570

Hyderabad, May 08, 2017

OB INFRASTRUCTURE LIMITED				
BALANCE SHEET AS AT MARCH 31, 2017				
All Amounts in Rupees in Lakhs unless otherwise stated				
Particulars	Note No	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	3	34.36	31.53	19.89
(b) Financial Assets				
Other Loans and Advances	4	4.19	40.65	40.65
Carriageway	5	28,202.22	32,184.05	36,165.88
Other non-current Assets	6	43.19	80.48	80.84
(c) Advance Taxes (Net)		276.02	456.43	274.61
		28,559.96	32,793.14	36,581.88
Current assets				
(a) Financial Assets				
(i) Investments	7	7,204.97	7,701.54	5,807.14
(ii) Cash and Cash equivalents	8	215.02	77.57	85.75
(ii) Bank Balances other than (ii) above	8	374.40	352.99	330.38
(b) Short term Advances	9	30.85	67.29	5.92
(b) Other Current Assets	10	3,912.85	3,913.64	3,913.80
		11,738.09	12,113.04	10,142.99
Total Assets		40,298.05	44,906.17	46,724.87
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	11	1,475.73	1,475.73	1,475.73
(b) Other Equity	12	11,955.24	12,893.69	12,835.30
		13,430.98	14,369.43	14,311.04
LIABILITIES				
Non-current liabilities				
(a) Financial Liabilities				
Borrowings	13	19,860.00	23,660.00	27,120.00
(b) Provisions	14	9.01	9.19	8.07
(c) Other non-current liabilities	15	170.75	199.61	130.42
		20,039.76	23,868.79	27,258.49
Current liabilities				
(a) Financial Liabilities				
Trade payables	16	165.38	87.87	80.07
Other current liabilities	17	4,034.58	3,832.98	3,032.94
(c) Provisions	18	2,627.35	2,747.10	2,042.33
		6,827.31	6,667.95	5,155.35
Total Equity and Liabilities		40,298.05	44,906.17	46,724.87
Notes to Accounts and significant Accounting policies	1			
Corporate information and significant accounting policies	1 & 2			
As per our Report of even date attached				
M. BHASKARA RAO & CO		For and on behalf of the Board		
Chartered Accountants				
				
V K Muralidhar		Director		
Partner		Director		
Place: Hyderabad				
Date: 08.05.2017				

/s/ AC

OB INFRASTRUCTURE LIMITED

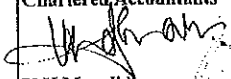
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in Rupees in Lakhs unless otherwise stated

Particulars		Note No.	Year Ended March 31, 2017	Year Ended March 31, 2016
I.	Revenue from operations	19	8,964.00	8,964.00
II.	Other income	20	911.60	634.34
III.	Total Income (I + II)		9,875.60	9,598.34
IV.	Expenses:			
	Employee benefits expense	21	119.77	105.40
	Finance costs	22	2,824.96	3,173.49
	Depreciation	3	6.90	4.63
	Other expenses	23	7,862.42	6,256.43
IV.	Total expenses(IV)		10,814.06	9,539.95
V.	Profit/(loss) before exceptional items and tax (III-IV)		(938.45)	58.39
VI.	Exceptional items		-	-
VII.	Profit/(loss) before Tax (V - VI)		(938.45)	58.39
VIII.	Tax expenses:			
	(1) Current tax		-	-
	(2) Deferred Tax		-	-
IX.	Profit (Loss) for the period (VII + VIII)		(938.45)	58.39
X.	Other Comprehensive Income			
	(i) Income Tax relating to items that will be reclassified to Profit or Loss		-	-
	Total Comprehensive Income for the period (comprising Profit(Loss) and Other comprehensive Income for the period)		(938.45)	58.39
XI.	Earnings per equity share: (Not Annualised)			
	(1) Basic		(6.36)	0.40
	(2) Diluted		(6.36)	0.40

Corporate information and significant accounting policies
As per our Report of even date attached

M. BHASKARA RAO & CO
Chartered Accountants


V K Muralidhar
Partner

Place: Hyderabad
Date: 08.05.2017

For and on behalf of the Board


Director


Director

Handwritten initials/signature

OB INFRASTRUCTURE LIMITED

Notes to the Financial Statements for the period ended March 31, 2017

1 Corporate Information

The Company is a Special Purpose Vehicle incorporated for execution of "Design, Engineering, Construction, Development, Finance, Operation and Maintenance of KM 220.00 to KM 255.00 on ORAI – Bhognipur Section of NH-25 and KM 421.20 to KM 449.00 on Bhognipur-Barah section of NH-2 in the State of Uttar Pradesh ("the project") on Build Operate and Transfer (Annuity) basis under the Concession Agreement dated April 27, 2006 with National Highways Authority of India. The Concession Agreement is for a period of Seventeen years and Six months from October 27, 2006, the Commencement date stated in clause "3.1" of the said agreement. The Company vide letter dated July 11, 2011 received Provisional Commercial Operations Certificate. As per the said letter Provisional Commercial Operation Date is effective from June 30, 2009

1.1 Applicability of Indian Accounting Standards (Ind AS) :

These Financial Statements of the Company, for the year ended March 31, 2017 have been prepared in accordance with Ind AS. This is the Company's first set of Financial Statements in accordance with Ind AS. For the purpose of transition into Ind AS, the Company has followed the guidance prescribed in Ind AS 101- First time adoption of Indian Accounting Standard, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

1.2 Exemptions availed on first time adoption of Ind AS

i) Deemed Cost for Property, Plant and Equipment and Intangible Assets

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment and Intangible Assets recognised as of April, 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost.

ii) Derecognition of Financial Assets and Financial Liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively from transactions occurring on or after April, 1, 2015 (transition date).

2 Significant Accounting Policies

2.1 Statement of compliance:

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

Up to the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous generally accepted accounting principles ("Previous GAAP"), which includes Accounting Standards ("AS") notified under the Companies (Accounting Standards) Rules, 2006 and prescribed under Section 133 of the Companies Act, 2013, as applicable and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ Companies Act, 1956 ("the 1956 Act"), as applicable.

Reconciliations and description of the effect of the transition to Ind AS from Indian GAAP is given in Note 37.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

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

2.3 Use of Estimates

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

2.4 Financial Instruments:

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

2.4.1 Carriage Way:

Carriage way represents the Cost incurred towards the Project executed, pursuant to the Concession Agreement. Up to date of transition to Ind AS, the said Carriage way was treated as Intangible asset of the Company and on transition to Ind AS, the Company, pursuant to guidance specified in Ind AS 101 -- First time adoption of Indian Accounting Standard, has elected to continue with the net carrying value of all its rights on the said carriage way as non-current financial asset of the Company and will be amortised over the Concession Period on straight line basis.

2.4.2 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.



OB INFRASTRUCTURE LIMITED

Notes to the Financial Statements for the period ended March 31, 2017

2.4.3 Fair Value through Profit and Loss (FVTPL)

Investments in Mutual Funds are classified at FVTPL.

2.4.4 Financial liabilities and equity instruments

Classification as debt or equity

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

Equity Instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.5 Property, plant and equipment & Intangible Assets

2.5.1 Property, Plant and Equipment:

Property, Plant and Equipment are stated in the Balance sheet at cost of acquisition less accumulated depreciation and impairment losses (if any). Cost of acquisition is inclusive of freight, duties, levies and all incidental expenditure attributable to bring the asset to its working condition.

Project under which Tangible/Intangible assets are not yet ready for the intended use and other Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.5.2 Intangible Fixed Assets:

Intangible Fixed assets are carried at cost less accumulated amortization and impairment losses if any. The Cost of intangible assets comprises of its purchase price, duties, taxes etc., and any directly attributable expenditure on making the assets ready for its intended use. Subsequent expenditure on an intangible asset after its purchase is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributable to the asset reliably, in which case such expenditure is added to the cost of the asset.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.5.3 Depreciation:

Depreciation is provided based on the useful life on Straight line method, provided in Schedule II of the Companies Act 2013, except in respect of following category of assets, in whose case the life of the assets has been assessed based on technical assessment, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance, etc.

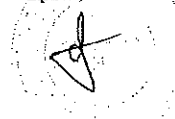
Plant and Machinery - 25 years
Temporary Buildings - 1-3 years
Electrical Installations - 3 years
Green Belt - 1 year

Intangible Assets are amortised, on straight line method based on the useful life as assessed by the Management.

2.5.4 Impairment

The Company assesses at each reporting date whether there is an indication that an asset/cash generating unit may be impaired. If any indication exists the Company estimates the recoverable amount of such assets and if carrying amount exceeds the recoverable amount, impairment is recognised. The recoverable amount is the higher of the net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor. When there is indication that previously recognised impairment loss no longer exists or may have decreased such reversal of impairment loss is recognised in the profit or loss.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash generating units (or groups of cash-generating unit) that is expected to benefit from the synergies of the combination.



OB INFRASTRUCTURE LIMITED

Notes to the Financial Statements for the period ended March 31, 2017

2.6 Revenue Recognition:

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

2.7 Other Income

Dividend income from investments is recognised in the year in which the right to receive the payment is established.

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

2.8 Employee Benefits

Employee benefits include provident fund, gratuity and compensated absences.

a) Defined contribution plan

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The Company makes contributions to Provident Fund, at a specified percentage of the employees' salary, and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

b) Defined benefit plans

i) Gratuity

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

ii) Compensated Absences: Liability for compensated absence is treated as a long term liability and is provided on the basis of valuation of liability by an independent actuary as at the year end.

2.9 Taxes on Income

Current tax is determined based on the amount of tax payable in respect of taxable income for the period / year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.10 Provisions, contingent liabilities and contingent assets

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

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.11 Earnings per Share

The earnings considered in ascertaining the company's Earnings per share (EPS) comprise the net profit / (loss) after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the period/year. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS and weighted average number of equity shares which could have been issued on the conversion of diluted potential equity shares where applicable. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, and unless they have been issued at a later date.

2.12 Cash Flow Statement

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

OB INFRASTRUCTURE LIMITED

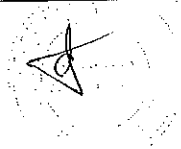
Notes forming part of the Financial Statements as at March 31, 2017

All Amounts in Rupees in Lakhs unless otherwise stated

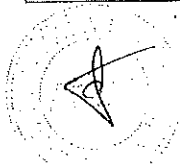
3 Property, plant and equipment

Description	Plant and Machinery	Office Equipment	Furniture and Fixtures	Office Vehicles	Total
Cost as at April 1, 2016	15.06	10.61	1.50	51.38	78.55
Additions	0.24	0.37	-	9.11	9.72
Disposals	-	-	-	-	-
Cost as at March 31, 2017	15.30	10.98	1.50	60.50	88.28
Accumulated depreciation April 1, 2016	4.84	9.11	1.36	31.72	47.03
Depreciation for the year	1.23	0.88	0.05	4.74	6.90
Depreciation on deletions	-	-	-	-	-
Accumulated depreciation March 31, 2017	6.07	9.98	1.41	36.46	53.92
Net Carrying amount as at March 31, 2017	9.23	0.99	0.10	24.04	34.36

Description	Plant and Machinery	Office Equipment	Furniture and Fixtures	Office Vehicles	Total
Cost as at April 1, 2015	15.00	10.03	1.37	35.90	62.29
Additions	0.06	0.58	0.14	15.48	16.26
Disposals	-	-	-	-	-
Cost as at March 31, 2016	15.06	10.61	1.50	51.38	78.55
Accumulated depreciation April 1, 2015	3.75	8.46	1.32	28.87	42.40
Depreciation for the year	1.09	0.65	0.04	2.85	4.63
Depreciation on deletions	-	-	-	-	-
Accumulated depreciation March 31, 2016	4.84	9.11	1.36	31.72	47.03
Net Carrying amount as at March 31, 2016	10.22	1.50	0.14	19.67	31.53
Net Carrying amount as at March 31, 2015	11.25	1.57	0.04	7.03	19.89



OB INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended March 31, 2017			
All Amounts in Rupees in Lakhs unless otherwise stated			
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
4. Other Loans and Advances - Non Current (Unsecured, considered good)			
Advance to Subcontractors	-	36.47	36.47
Deposit Others	4.19	4.19	4.19
	4.19	40.65	40.65
5. Carriage Way			
Gross Value of Carriage Way	58,964.33	58,964.33	58,964.33
Less: Amortisation Upto the reporting period	30,762.11	26,780.28	22,798.45
Carrying Value of Carriage Way	28,202.22	32,184.05	36,165.88
6. Other Non Current Assets			
Receivables from NHAI (Other than Annuity) towards:			
a) Reimbursement of Project related Expenses	11.85	35.00	35.00
b) Retention Money	13.09	25.94	25.94
c) Reimbursement of Sales Tax	18.25	19.54	19.90
	43.19	80.48	80.84
7. Current Investments			
Investments in Mutual Funds - Quoted			
Units in L&T Mutual Fund - Debt Funds	7,204.97	7,701.54	3,344.15
4,37,57,286.3836 Units (March 31, 2016 5,25,44,325.8312 Units)		-	-
(Includes investments held pursuant to the provisions of		-	-
Debitum Trust Deed to meet Debt Service Reserve Account		-	-
(DSRA) Rs. 15 Crores and Major Maintenance Reserve Rs.15.28		-	-
Units in L&T Mutual Fund - Liquid Funds - Daily Dividend Scheme		-	-
976.5599 Units (March 31, 2016 Nil Units)		-	-
Units in IDBI Mutual Funds - Daily Dividend Scheme		-	2,462.99
	7,204.97	7,701.54	5,807.14
8. Cash and Bank Balances			
Cash and cash equivalents:			
Cash on Hand	0.06	0.19	1.67
Balances with banks		-	-
- In Current Account	214.95	77.39	84.08
	215.02	77.57	85.75
Other Bank Balances			
Fixed Deposit with IDBI Bank Ltd (Refer Note: 24)	374.40	352.99	330.38
	589.41	430.57	416.13
9. Short Term Advances (Unsecured, considered good)			
Loans and advances to Employees	1.65	2.68	0.60
Prepaid Expenses	9.23	14.86	4.97
Advances Recoverable in cash or kind or value to be received	19.97	49.75	0.35
	30.85	67.29	5.92
10. Other Current Assets			
Unbilled Revenue - Annuity Accrued	3,909.30	3,909.30	3,909.30
Interest accrued on deposit	3.55	4.34	4.50
	3,912.85	3,913.64	3,913.80



OB INFRASTRUCTURE LIMITED

Notes to the Financial Statements for the year ended March 31, 2017

All Amounts in Rupees in Lakhs unless otherwise stated

11) Share Capital	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Authorised Shares						
Equity Shares of Rs. 10 each	14,757,500	1,476	14,757,500	1,476	14,757,500	1,476
Issued, Subscribed and fully paid up shares:						
Equity shares of Rs. 10 each	14,757,331	1,476	14,757,331	1,476	14,757,331	1,476
Total Issued, Subscribed and fully paid up shares	14,757,331	1,476	14,757,331	1,476	14,757,331	1,476

11.a) Reconciliation of the shares outstanding:

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	14,757,331	1,476	14,757,331	1,476	14,757,331	1,476
Issued during the Year	-	-	-	-	-	-
Outstanding at the end of the Year	14,757,331	1,476	14,757,331	1,476	14,757,331	1,476

11.b) Rights, preferences and restrictions attached to equity shares

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

As per the Common Terms Agreement entered into with the lenders, the Dividend is payable only after the commencement of the repayment of project loans, provided there is no event of default under the financing document; all reserves including Debt Service Reserve Account (DSRA) and major maintenance reserve are funded adequately.

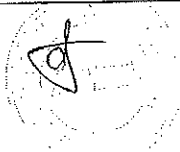
In the event of liquidation of the company, the holders of equity shares will be entitled to receive surplus from sale of assets after setting off of the liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

11.c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
NCC Limited (Ultimate Holding Company)	600	0	600	0	7,548,281	755
NCC Infrastructure Holdings limited (Subsidiary of ultimate Holding Company)	9,447,681	945	9,447,681	945	1,900,000	190
	9,448,281	945	9,448,281	945	9,448,281	945

11.d) Details of shareholders holding more than 5% shares in the company

	As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
	No of Shares	% of Holding	No of Shares	% of Holding	No of Shares	% of Holding
NCC Limited	600	0.00%	600	0.00%	7,548,281	51.15%
NCC Infrastructure Holdings Limited	9,447,681	64.02%	9,447,681	64.02%	1,900,000	12.87%
KMC Infotech Limited	5,309,050	35.98%	5,309,050	35.98%	5,309,050	35.98%



STATEMENT OF CHANGES IN EQUITY OF INFRASTRUCTURE LIMITED

Statement of Changes in Equity for the Year Ended March 31, 2017

All Amounts in Rupees in Lakhs unless otherwise stated

11) A. Equity Share Capital			
Description	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
No of Shares Authorised	14,757,500	-	14,757,500
No of Shares Issued	14,757,331	-	14,757,331
No of Shares Subscribed and paidup	14,757,331	-	14,757,331
Face Value	10	-	10
Equity Share Capital (Rs. Lakhs)	1,476	-	1,476

12) B. Other Equity

Description	Reserves	Security Premium Account	Total
	Retained Earnings		
Opening balance as at 1st April, 2015 (as previously reported)	(501)	13,146	12,645
Changes in accounting policy / prior period errors	190	-	190
Restated balance at 1st April 2015	(311)	13,146	12,835
Balance as at 1st April 2015	(311)	13,146	12,835
Total comprehensive income for the year	58	-	58
Balance at the end of the March 31, 2016	(252)	13,146	12,894
Balance at the end of the March 31, 2016	(252)	13,146	12,894
Total comprehensive income for the year	(938)	-	(938)
Balance at the end of the March 31, 2017	(1,191)	13,146	11,955

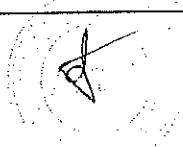
OB INFRASTRUCTURE LIMITED						
Notes to the Financial Statements for the year ended March 31, 2017						
All Amounts in Rupees in Lakhs unless otherwise stated						
12) Reserves and Surplus						
		As at	As at	As at		
		March 31, 2017	March 31, 2016	April 1, 2015		
a) Securities Premium Account						
Opening Balance		13,146.15	13,146.15	13,146.15		
Additions during the year		-	-	-		
Closing Balance	a	13,146.15	13,146.15	13,146.15		
b) Surplus/(deficit) in the Statement of Profit and Loss						
Opening Balance		(252.45)	(310.84)	(310.84)		
Add: Profit/ (loss) for the Year		(938.45)	58.39			
Net Surplus in the Statement of Profit and Loss	b	(1,190.90)	(252.45)	(310.84)		
Total of Reserves and Surplus	(a+b)	11,955.24	12,893.69	12,835.30		
13) Long Term Borrowings						
		As at March 31, 2017		As at March 31, 2016		As at April 1, 2015
		Non-Current	Current	Non-Current	Current	Non-Current
						Current
Secured:						
a) Debentures:						
a) 14060 (previous year 15,820) Series 'A' Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Rs. 1,00,000 each		11,340.00	2,220.00	14,060.00	1,760.00	15,820.00
b) 2,5000 (previous year 4,000) Series 'B' Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Rs. 1,00,000 each		1,000.00	1,500.00	2,500.00	1,500.00	4,000.00
c) 7,100 (previous year 7,300) Series 'C' Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Rs. 1,00,000 each		7,020.00	80.00	7,100.00	200.00	7,300.00
		19,360.00	3,800.00	23,660.00	3,460.00	27,120.00
Less : Amount showed under "Other Current Liabilities (Refer Note No. 17)		-	3,800.00	-	3,460.00	-
Total		19,360.00	-	23,660.00	-	27,120.00
13.1 Debentures						
Secured, Rated, Listed, Redeemable Non Convertible Debentures						
During February 2014, the company issued 20,000 Series 'A' Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Rs. 1,00,000 each amounting to Rs. 200 Crores; 5,000 Series 'B' Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Rs. 1,00,000 each amounting to Rs. 50 Crores and 8,400 Series 'C' Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Rs. 1,00,000 each amounting to Rs. 84 Crores to L&T Infra Finance Limited. Aggregate value of debentures issued was Rs. 334 Crores.						
a) Interest						
The interest rate payable on the debentures depends upon the 'Rating' by rating agency and in accordance with Clause 3.1 of the Debenture Trust Deed entered between the Company and IDBI Trusteeship Services Limited, being the Debenture Trustee. Present applicable interest rate is as follows:-						
Series 'A' Debentures - 10.90 % p.a. payable monthly.						
Series 'B' Debentures - 11.50 % p.a. payable monthly.						
Series 'C' Debentures - 11.50 % p.a. payable monthly.						
b) Security						
1) First pari passu charge on all the Company's tangible movable assets including vehicles both present and future save and except the Project Assets						
2) First pari passu charge on all the intangible assets of the Company.						
3) First pari passu charge over all accounts of the Company including Debt Service Reserve Account (DSRA), Escrow account and the subaccounts and all the funds from time to time deposited therein.						
4) First pari passu charge over all receivables and all Authorised Investments or other securities including receivables from NHAI of the Project, whatsoever nature both present and future subject to the provisions of the Transaction Documents.						
5) Assignment by way of security, in :						
i) All the rights, title, interest, benefits, claims and demands whatsoever of the Company in the Project Agreements;						
ii) All the rights, title and interest of the Company in, to and all the Clearances;						
iii) All the rights, title, interest, benefits, claims and demands whatsoever of the Company in any letters of credit, guarantees, liquidated damages and performance bonds provided by any party to the Project Agreements;						
iv) All the rights, title, interest, benefits, claims and demands whatsoever of the Company under all insurance contracts;						
6) A pledge on 51% of the issued, paid up and voting equity share capital of the Company held by the promoters in the Company.						
c) Redemption Schedule						
	Date of Installments	Series 'A'	Series 'B'	Series 'C'	(In Rupees)	Total
	15.06.2022 & 15.12.2022	-	-	106,000,000		106,000,000
	15.06.2021 & 15.12.2021	156,000,000	-	348,000,000		504,000,000
	15.06.2020 & 15.12.2020	300,000,000	-	198,000,000		498,000,000
	15.06.2019 & 15.12.2019	320,000,000	100,000,000	40,000,000		460,000,000
	15.06.2018 & 15.12.2018	408,000,000	-	10,000,000		418,000,000
	15.06.2017 & 15.12.2017	222,000,000	150,000,000	8,000,000		380,000,000
	15.06.2016 & 15.12.2016	176,000,000	150,000,000	20,000,000		346,000,000
	15.06.2015 & 15.12.2015	146,000,000	100,000,000	20,000,000		266,000,000
	15.06.2014 & 15.12.2014	148,000,000	-	90,000,000		238,000,000
	21.02.2014	124,000,000	-	-		124,000,000

OB Infrastructure Limited

Notes to the Financial Statements for the year ended March 31, 2017

All Amounts in Rupees in Lakhs unless otherwise stated

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
14. Long Term Provisions			
Provision for Employee Benefits			
Gratuity	5.10	7.13	6.45
Leave Encashment	3.91	2.06	1.62
	9.01	9.19	8.07
15. Other Long Term Liabilities			
	170.75	199.61	130.42
	170.75	199.61	130.42
16. Trade Payables			
Other than Acceptances	165.38	87.87	80.07
	165.38	87.87	80.07
17. Other Current Liabilities			
Current Maturities of Long Term Borrowings(Refer Note 13)	3,800.00	3,460.00	2,660.00
Interest accrued but not due on borrowings	122.80	140.84	154.68
Other Payables :			
Statutory Remittances (Withholding Taxes, WCT, Cess)	97.01	85.32	80.38
Payables to EPC Contractors	-	6.02	6.02
Independent Consultant Fee Payable to NHAI	14.77	140.81	131.86
	4,034.58	3,832.98	3,032.94
18. Short Term Provisions			
Provision for Major Maintenance	2,627.35	2,747.10	2,042.33
	2,627.35	2,747.10	2,042.33



OB INFRASTRUCTURE LIMITED

Notes to the Financial Statements for the year ended March 31, 2017

All Amounts in Rupees in Lakhs unless otherwise stated

	Year ended March 31,2017	Year ended March 31,2016
19. REVENUE FROM OPERATIONS		
Annuity from NHAI	8,964.00	8,964.00
	8,964.00	8,964.00
20. OTHER INCOME		
Interest income on Bank deposits	22.91	24.94
Interest Income on IT refund	32.38	-
Profit on sale of Investments	412.55	267.97
Credit balances no longer required written back(Refer note.31)	129.10	-
Miscellaneous income	4.74	-
Fair value Adjustments - Change in Carrying Value of Current Investments	309.93	341.42
	911.60	634.34
21. EMPLOYEE BENEFITS		
Salaries, Wages & Other allowances	110.69	96.74
Contribution to Provident funds	5.58	5.54
Staff welfare expenses	3.51	3.11
	119.77	105.40
22. FINANCE COST		
Interest on Secured Loans	2,813.23	3,167.71
Commission on Bank Gurantee provided through NCC Ltd.	7.82	4.72
Interest on others	3.77	0.95
Bank Charges	0.15	0.11
	2,824.96	3,173.49
23. OTHER EXPENSES		
Power & Fuel Charges	27.75	24.01
Rent	1.51	0.44
Repairs and Maintenance	75.98	121.83
Road Maintenance Expenses	80.61	121.98
Provision for Major Maintenance	3,401.00	1,750.00
Insurance	30.10	23.25
Rates & Taxes	5.12	1.12
Professional charges	154.11	126.14
Auditors Remuneration	4.12	2.52
Travelling Expenses	34.22	32.10
Business Promotion Expenses	0.90	0.88
Office Maintenance	4.11	7.13
Machinery Hire Charges	50.08	57.98
Miscellaneous Expenses	10.97	5.22
Fair value Adjustment - Carriage Way	3,981.83	3,981.83
	7,862.42	6,256.43

OR INFRASTRUCTURE LIMITED

Notes to the Financial Statements for the year ended March 31, 2017
All Amounts in Rupees in Lakhs unless otherwise stated

24. Contingencies and Commitments	March 31, 2017 (Rs)	March 31, 2016 (Rs)	April 1, 2015 (Rs)
Contingent Liabilities not provided for			
Claims against the company not acknowledged as debt *	30,676,626	30,676,626	30,676,626

* Claims against the company not acknowledged as debt represents claim by National Highway Authority of India (NHAI) towards certain operational non-compliances by the company. NHAI has written to the Company's ESCROW agent M/s IDBI Bank Limited to hold Rs.30,676,626 in ESCROW account pending recovery. The Company has represented to NHAI for releasing the amount kept on hold and is confident of a favourable decision by the NHAI.

25. Auditors Remuneration

Payment to auditors comprises of:	March 31, 2017 (Rs)	March 31, 2016 (Rs)
Statutory Audit Fee	156,250	86,250
Tax Audit Fee	53,750	28,750
Limited Review Fee	90,000	90,000
For other services	65,000	15,000
Service Tax	47,250	32,215
Total	412,250	282,215

26. Disclosure under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at year end together with interest paid/payable as required under the said Act, have not been given.

27. Employee Benefits

Liability for retiring gratuity as on March 31, 2017 is Rs.5,10,187 (March 31, 2015: 7,13,030) and included in provision for gratuity. The liability for cost of compensated absence is Rs. 390,732 (March 31, 2015: 205,739) and included in provision for leave encashment. These liabilities are unfunded and has been actuarially determined and provided for in books.

	Gratuity		Compensated Absence	
	March 31, 2017 (Rupees)	March 31, 2016 (Rupees)	March 31, 2017 (Rupees)	March 31, 2016 (Rupees)
Expenses recognised in Statement of Profit and Loss				
Current service cost	74,677	82,000	94,784	110,804
Interest cost	48,957	53,729	14,991	12,960
Settlement cost	-	-	-	-
Net actuarial (gain)/loss	(147,738)	(67,699)	104,751	(80,025)
Net benefit expense	(24,104)	68,030	214,526	43,739
Benefit asset/liability				
Present value of defined benefit obligation	510,187	713,030	390,732	205,739
Fair value of plan assets	-	-	-	-
Net asset/(liability)	510,187	713,030	390,732	205,739
The above Liability Classified as				
Long Term	510,187	713,030	390,732	205,739
Short Term	-	-	-	-
Change in present value of the defined benefit obligations				
Opening defined benefit obligation	713,030	645,000	205,739	162,000
Current service cost	74,677	82,000	94,784	110,804
Interest cost	48,957	53,729	14,991	12,960
Benefits paid	(178,740)	-	(29,534)	-
Actuarial (gains)/losses on obligation	(147,738)	(67,699)	104,751	(80,025)
Closing defined benefit obligation	510,186	713,030	390,731	205,739
Actuarial (gain)/loss recognized				
Actuarial (gain)/loss of obligation	(147,738)	(67,698)	104,751	(80,025)
Actuarial (gain)/loss of planned assets	-	-	-	-
Total (gain)/loss for the period	(147,738)	(67,699)	104,751	(80,025)
Actuarial (gain)/loss recognized	(147,738)	(67,699)	104,751	(80,025)
unrecognized actuarial (gain)/losses	-	-	-	-
Assumptions for gratuity and Leave encashment				
Discount rate	6.75%	7.85%	6.75%	7.85%
Rate of increase in compensation levels	5%	5%	5%	5%
Rate of return on plan assets	0	0	0	0
Expected average future service of employees (years)	27	27	27	27

28) Related party transactions

a) List of related parties and relationship

Name of the Related party	Relationship
M/s. NCC Limited	Holding Company
M/s. NCC Infrastructure Holdings Limited	Ultimate Holding Company
M/s.KMC Constructions Limited	Enterprises having Significant Influence
M/s.KMC Infotech Limited	Enterprises having Significant Influence

b) Related party transactions for the period ended March 31, 2017 are as follows

	March 31, 2017	March 31, 2016
Bank Guarantee commission debited by		
M/s.NCC Ltd	7.82	4.72
Management Fee Paid	-	-
M/s. NCC Infrastructure Holdings Ltd (Including Service Tax)	55.20	54.69
Credit balances as at year end		
M/s.NCC Ltd	-	86.69
M/s.NCC Ltd against BG reimbursement (net)	16.08	15.88
M/s.KMC Constructions Limited	-	51.63
M/s. NCC Infrastructure Holdings Ltd	21.00	4.18

OB INFRASTRUCTURE LIMITED

Notes to the Financial statements for the period ended March 31,2017

All Amounts in Rupees in Lakhs unless otherwise stated

29.(a)Effect of Ind AS adoption as at April 1,2015

Particulars	AS Reported Under I GAAP	Effect of transigion to Ind AS	AS Reported Under Ind AS
	As At March 31, 2015		As At April 01, 2015
Share capital	1,476	-	1,476
Reserves and surplus	12,645	190	12,835
	14,121	190	14,311
Long-term borrowings	27,120	-	27,120
Other Long Term Liabilites	130	-	130
Long Term Provislons	1,050	-	1,050
	28,301	-	28,301
Trade Payables	80	-	80
Other current liabilites	3,033	-	3,033
Short term provisions	1,000	-	1,000
	4,113	-	4,113
	46,535	190	46,725
Tangible assets	20	-	20
Intangible assets	36,166	(36,166)	-
Long term loans and advances	41	-	41
Financial Asset- Carriageway	-	36,166	36,166
Other Non- Current Assets	355	-	355
	36,581	-	36,581
Current Investments	5,617	190	5,807
Cash and cash equivalents	416	-	416
Short Term Loans and Advances	6	-	6
Other Current Assets	3,914	-	3,914
	9,953	190	10,143
	46,534	190	46,724

29.(b)Effect of Ind AS adoption as at March 31,2016

Particulars	AS Reported Under I GAAP	Effect of transigion to Ind AS	AS Reported Under IND As
	As At March 31, 2016		As At March 31, 2016
Share capital	1,476	-	1,476
Reserves and surplus	12,362	531	12,894
	13,838	531	14,369
Long-term borrowings	23,660	-	23,660
Other Long Term Liabilites	200	-	200
Long Term Provislons	9	-	9
	23,869	-	23,869
Trade Payables	88	-	88
Other current liabilites	3,833	-	3,833
Short term provisions	2,747	-	2,747
	6,668	-	6,668
	44,375	531	44,906
Tangible assets	32	-	32
Intangible assets	32,184	32,184	-
Long term loans and advances	41	-	41
Financial Asset- Carriageway	-	32,184	32,184
Other Non- Current Assets	537	-	537
	32,793	-	32,793
Current Investments	7,170	531	7,702
Cash and cash equivalents	431	-	431
Short Term Loans and Advances	67	-	67
Other Current Assets	3,914	-	3,914
	11,582	531	12,113
	44,375	531	44,906

OB INFRASTRUCTURE LIMITED

Notes to the Financial Statements for the year ended March 31, 2017

29) Earnings per share (EPS)

	March 31, 2017		March 31, 2016	
	No of Shares	Amount(Rs.)	No of Shares	Amount(Rs.)
Net Profit/(Loss) after tax available for equity shareholders		(93,845,044)		5,839,088
Weighted average no of equity shares for Basic EPS	14,757,331		14,757,331	
Weighted average no of equity shares for diluted EPS	14,757,331		14,757,331	
Face value per share		10		10
Basic EPS		(6.36)		0.40
Diluted EPS		(6.36)		0.40

30) Details of Provisions

Pursuant to the terms of Debenture Trust Deed and the Concession Agreement, the company is required to carry out the Major Maintenance of the Carriageway at specified periodic intervals through the concession period. The cost of such maintenance for each such interval is estimated at the beginning of such interval period and provided for in each Financial Year during that intervals. Details of such provision made up to 31.03.2016 are:

Name of the Provision	Opening Balance as at 01.04.16	Provision during 2016 - 17	Incurred during the period 31.03.17	Closing Balance as at 31.03.17
	Rupees	Rupees	Rupees	Rupees
Provision for Major Maintenance	274,710,129	340,100,800	352,075,359	262,734,770

31) The Company is primarily engaged in the business of operation and maintenance of toll road under BOT scheme. Hence, the quantitative details of sales and certain additional information as required under paragraphs 5(iii), (vii) (a), (b), (c), (d) and (e) of general instructions for preparation of the statement of profit and loss as per Schedule III to the Companies Act, 2013 do not arise in its case.

32) As per the provision of the concession agreement dated 27/04/2006, entered into with National Highway Authority of India (NHAI), The company is required to reimburse Independent Consultancy charges incurred by NHAI upon receipt of claims during the year under report, upto March, 2017 from NHAI, the excess provision recognised by the company in the earlier years has been written back.

33) Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016

Particulars	SBN's	Other denomination notes	Total
	Closing cash in hand as on 08/11/2016	1000*158, 500*134	100*24, 50*18, 10*56 & coins 9
(+) Permitted receipts		2000*132, 10*5, 10*6 & coins 7	264,567
(-) Permitted payments		2000*121, 100*21, 50*18, 10*59 & Coins	245,599
(-) Amount deposited in Banks	1000*158, 500*134		225,000
Closing cash in hand as on 30/12/2016	4		22,837

34) Disclosures in accordance with Clause 28 of the Company's Listing Agreement for Debt Securities with Bombay Stock Exchange Limited:

- 1) Loans and advances in the nature of loans to associates
- 2) Loans and advances in the nature of loans where there is:
 - (i) No repayment schedule or repayment is beyond 7 years
 - (ii) No interest or interest rate is below that under Section 186 of the Companies Act
- 3) Loans and advances in the nature of loans to firms/Companies in which Directors of the Company are interested - Nil

35) In the absence of profits the company has not created debenture redemption reserve. However, the company has deposited more than 15% of the debentures maturing during the year ending on March 31, 2017

36) Previous figures have been recast/ restated to conform to the current period classification.

37) Figures have been rounded off to the nearest rupee.

For and on behalf of the Board

Place: Hyderabad
Date: 08.05.2017

Director

Director

OB Infrastructure Limited
Additional Financial Disclosures (Fit For Consolidation by NCC Ltd) - Year Ended March 31, 2017
All Amounts in Rupees in Lakhs unless otherwise stated

A Investment Property Fairvalue Disclosures NOT APPLICABLE

B Unused Tax Losses Nil

C Financial Instruments & Fair Value Disclosures

Capital management

The Company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain / enhance credit rating.

The Company determines the amount of capital required on the basis of long-term strategic plans. The funding requirements are met through long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital and other revenue reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Equity	13,430.98	14,369.43	14,311.04
Long Term Borrowings	19,860.00	23,660.00	27,120.00
Short Term Borrowings and Payables	4,199.97	3,920.85	3,113.02
Cash and cash equivalents	(589.41)	(430.57)	(416.13)
Net debt	23,470.55	27,150.28	29,816.89
Total capital (equity + net debt)	36,901.53	41,519.71	44,127.92

Categories of financial Instruments

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Financial assets			
Measured at amortised cost			
Other Financial assets measured at amortised cost	28,202.22	32,184.05	30,233.02
Measured at Fair Value through Profit and Loss			
Investments	7,204.97	7,701.54	5,807.14
Measured at Cost			
Cash and bank balances	589.41	430.57	416.13
Loans	4.19	40.65	40.65
Financial liabilities			
Measured at amortised cost	24,059.97	27,580.85	30,233.02

Financial risk management objectives

The company's business activities exposed to a variety of financial risk viz., market risk, credit risk and liquidity risk. The company's focus is to estimate a vulnerability of financial risk and to address the issue to minimize the potential adverse effects of its financial performance.

Market risk

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. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. There are no significant exposure to market risk considering the current status of its project and other operations of the Company.

Interest rate risk

Out of total borrowings, large portion represents short term borrowings from Holding Company. The interest rate applicable is not subjected to fluctuations and interest rate risks.



OB Infrastructure Limited

Additional Financial Disclosures (Fit For Consolidation by NCC Ltd) - Year Ended March 31, 2017

All Amounts in Rupees in Lakhs unless otherwise stated

Equity risks

The company is exposed only to non-listed equity investments and as a policy matter the company bringing down the equity investment exposure to the various companies. The company continuously in the process of disinvestment of its investments in the companies. As the exposure has come down significantly and does not have any equity investment in the listed entities, the impact of change in equity price on profit or loss is not significant.

Credit risk management

Credit Risk refers to the risk for a counter party default on its contractual obligation resulting a financial loss to the company. The maximum exposure of the financial assets represents advances given by the Company.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by credit rating agencies.

Liquidity risk management

The Company manages liquidity risk by maintaining borrowing facilities from its group companies, by continuously monitoring forecast and actual cash flows for the projects undertaken by the Company.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2017:

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	165.38	165.38	-	-	165.38
ICD and Interest thereon	122.80	122.80	-	-	122.80
Borrowings	23,660.00	3,800.00	8,780.00	11,080.00	23,660.00
Others	111.78	111.78	-	-	111.78
Total	24,059.96	4,199.96	8,780.00	11,080.00	24,059.96

The table below provides details of financial assets as at March 31, 2017:

	Carrying amount
Investments	7,204.97
Loans	4.19
Other financial Assets	28,202.22
Cash and Bank Balances	589.41
Total	36,000.79

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2016:

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	87.87	87.87	-	-	87.87
ICD and Interest thereon	140.84	140.84	-	-	140.84
Borrowings	27,120.00	3,460.00	7,980.00	15,680.00	27,120.00
Others	232.15	232.15	-	-	232.15
Total	27,580.86	3,920.86	7,980.00	15,680.00	27,580.86

The table below provides details of financial assets as at March 31, 2016:

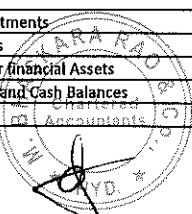
	Carrying amount
Investments	7,701.54
Loans	40.65
Other financial Assets	32,184.05
Cash and Bank Balances	430.57
Total	40,356.80

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at April 01, 2015:

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	80.07	80.07	-	-	80.07
ICD and Interest thereon	154.68	154.68	-	-	154.68
Borrowings	29,780.00	2,660.00	7,260.00	19,860.00	29,780.00
Other Financial Liabilities	218.26	218.26	-	-	218.26
Total	30,233.01	3,113.01	7,260.00	19,860.00	30,233.01

The table below provides details of financial assets as at April 01, 2015:

	Carrying amount
Investments	5,807.14
Loans	40.65
Other financial Assets	36,165.88
Cash and Bank Balances	416.13
Total	42,429.80



Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

Financial assets / financial liabilities	Fair Value as at*			Fair value hierarchy	Valuation techniques & key inputs used
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015		
Investments in quoted Debt Instruments at FVTPL	7204.97	7701.54	5807.14	Level 1	Refer Note

*Positive value denotes financial asset (net) and negative value denotes financial liability (net)

Notes:

There were no transfers between Level 1 and 2 in the period.

The Level 1 financial instruments are measured using quotes in active market

The following table shows the valuation technique and key input used for Level 2:

Financial Instrument	Valuation Technique	Key Inputs used
Quoted Debt Instruments		Fairvalue is determined basing on the Quoted price

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

	Fair value hierarchy	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		Carrying amount / Cost	Fair value	Carrying amount / Cost	Fair value	Carrying amount / Cost	Fair value
Financial assets							
Financial assets at amortised cost:							
Cash and bank balances	Level 2	589.41	589.41	430.57	430.57	416.13	416.13
Loans	Level 2	4.19	4.19	40.65	40.65	40.65	40.65
Other Financial assets measured at amortised cost	Level 2	28,202.22	28,202.22	32,184.05	32,184.05	30,233.02	36,165.88
Financial liabilities							
Financial liabilities at amortised cost:							
- Borrowings	Level 2	23,660.00	23,660.00	27,120.00	27,120.00	29,780.00	29,780.00
- Trade payables	Level 2	165.38	165.38	87.87	87.87	80.07	80.07
- Other financial liabilities	Level 2	234.58	234.58	372.99	372.99	372.94	372.94

The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models.

- | | |
|--|---|
| E Unused Bank Facilities | Not Applicable |
| F Equity and Profit Reconciliation | Refer Note 29 to Financial Statements |
| H Retention money receivable | NIL |
| I Exemptions / Options on adoption of Ind AS | Refer Note 1.2 and 2.5.2 to Ind AS Financial Statements |

