

Manubhai & Shah LLP

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To The Members of Bhilwara Rajsamand Tollway Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Bhilwara Rajsamand Tollway Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 financial statements.

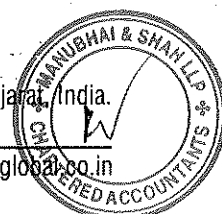
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Ahmedabad • Mumbai • Rajkot • Jamnagar • Baroda

Manubhai & Shah (Registration No. GUJ/AHD/33849) a Partnership Firm was converted into Manubhai & Shah LLP (LLP identification No.AAG-0878) a Limited Liability Partnership with effect from 1st April, 2016



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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

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 Act, we give in the Annexure "A" statement on the matters specified in the 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B"
 - (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 did not have any pending litigations which would impact its financial position.



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- 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 Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No.106041W



Place: Ahmedabad
Date : April 07, 2016

Kunsel

(K.C.Patel)
Partner
Mem. No. 30083

Annexure "A" to the Independent Auditors' Report

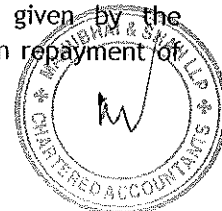
The Annexure "A" referred to in Para 1 of Report on Other Legal and Regulation Requirements to in our Independent Auditors' Report to the members of the Bhilwara Rajsamand Tollway Private Limited on the financial statements for the year ended 31st March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified during the year by the Management in accordance with programme of physical verification, which in our opinion, provides for physical verification of all fixed assets at a reasonable intervals having regard to size of the Company and nature of fixed assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The Company does not have immoveable properties. Hence reporting requirement as per this clause is not applicable..
- (ii) The Company had no inventory during and at the year end. Therefore, the reporting requirements of paragraph 3(ii) of the Order is not applicable.
- (iii) The Company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Therefore, the reporting requirements of paragraph 3 (iii) of the Order are not applicable.
- (iv) The Company has not given loans, made investments or provided guarantees or security, attracting the provisions of sections 185 and 186 of the Act. Hence the reporting requirements of paragraph 3(iv) of the Order are not applicable.
- (v) The Company has not accepted deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) The maintenance of cost records prescribed by the Central Government under section 148(1) of the Act is not applicable to the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty , value added tax, cess and other material statutory dues as applicable have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, value added tax, cess and other material statutory dues were in arrears as at 31st March 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues of income tax , wealth tax, duty of excise, duty of customs, sales tax or service tax or value added tax or cess which have not been deposited with the appropriate authorities on account of any dispute.

- (viii) Based on our audit procedure and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of



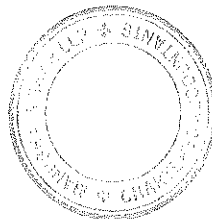
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dues to banks. The Company has not borrowed or raised any money from debenture holders during the year.

- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). According to the information and explanation given to us, the term loan raised were prima facie been either used for the purpose for which they were raised or pending utilization have been temporarily invested in units of mutual funds.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the Management, we report that no material fraud on or by the Company has been noticed or reported during the year.
- (xi) No managerial remuneration has been paid or provided by the Company during the year. Accordingly the reporting requirement of paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion the Company is not a Nidhi Company. Therefore the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, all the transactions with related parties are in compliance with Section 177 and 188 of the Act where applicable and also the details which have been disclosed in the Financial Statements are in accordance with the applicable Accounting Standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence the reporting requirement of paragraph 3(xiv) of the Order are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly reporting requirement of paragraph 3(xv) of the Order are not applicable to the Company.
- (xvi) According to the information given and as explained to us, the company is not required to get itself registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence the reporting requirement under paragraph 3(xvi) of the order is not applicable.

Place: Ahmedabad
Date: April 07, 2016



For Manubhai and Shah LLP
Chartered Accountants
ICAI Firm's Registration No.106041W

K C Patel

(K C Patel)

Partner

Mem. No. 30083

Report on Internal Financial Controls Over Financial Reporting

Annexure 'B' To The Independent Auditor's Report Of Even Date On The Financial Statements Of Bhilwara Rajsamand Tollway Private Limited

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 Bhilwara Rajsamand Tollway Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the 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 the 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



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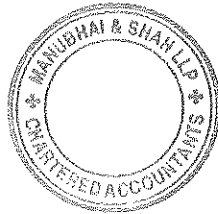
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management 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 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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



Place: Ahmedabad
Date: April 07, 2016

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No.106041W

(K C Patel)
Partner
Mem. No.30083

Bhilwara-Rajsamand Tollway Private Limited
Balance Sheet as at March 31, 2016

(₹ in Million)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
I Equity and Liabilities			
(1) Shareholders' funds			
Share capital	2	173.40	173.40
Reserves and surplus	3	2,424.65	1,221.86
		2,598.05	1,395.26
(2) Non-Current Liabilities			
Long Term Borrowings	4	3,759.70	2,429.70
(3) Current liabilities			
Short Term Borrowings	5	130.00	11.90
Other Current Liabilities	6	200.81	722.56
		330.81	734.46
Total		6,688.56	4,559.42
II Assets			
(1) Non-current assets			
Fixed Assets	7		
Tangible Asset		1.33	-
Intangible Asset under Development		6,478.39	3,357.87
Non-Current Investments	8	2.29	2.29
Long Term Loans and Advances	9	44.57	616.95
Other Non-Currents Assets	10	*	*
		6,526.58	3,977.11
(2) Current assets			
Current Investments	11	16.29	-
Cash and Cash Equivalents	12	5.37	5.25
Other Current Assets	13	140.32	577.06
		161.98	582.31
Total		6,688.56	4,559.42
Significant Accounting Policies	1		

* Amount is below rounding off norm adopted by the Company

Accompanying notes are an integral part of the financial statements

As per our report of even date

For Manubhai & Shah LLP

Chartered Accountants

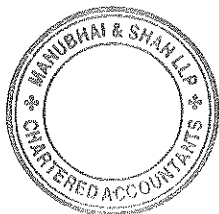
ICAI Firm Registration No. 106041W

K. C. Patel

(K.C. Patel)

Partner

Membership No.30083



Place: Ahmedabad

Date: April 7, 2016

For & on behalf of the Board of Directors of
Bhilwara-Rajsamand Tollway Private Limited

Vasisthakumar C. Patel

(Vasisthakumar C. Patel)

Director

DIN:00048324

Arun Patel

(Arun Patel)

Director

DIN:06365699

Place: Ahmedabad

Date: April 7, 2016



Bhilwara-Rajsamand Tollway Private Limited
Statement of Profit and Loss for the year ended March 31, 2016

(₹ in Million)

Particulars	Note No.	Year Ended March 31, 2016	Year Ended March 31, 2015
Expenses:			
Finance Costs			
Interest on Late Payment of Statutory Dues		0.04	-
Other Expenses			
Professional Tax and filing fees		0.01	0.33
		0.05	0.33
Total Expenses		0.05	0.33
(Loss) for the Year		(0.05)	(0.33)
Earning per equity share of Rs. 10/- Each	16		
(1) Basic & Diluted		(0.00)	(0.02)
Significant Accounting Policies	1		

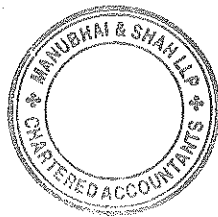
* Amount is below rounding off norm adopted by the Company

Accompanying notes are an integral part of the financial statements

As per our report of even date
For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W

K.C. Patel

(K.C. Patel)
Partner
Membership No.30083



Place: Ahmedabad
Date: April 7, 2016

For & on behalf of the Board of Directors of
Bhilwara-Rajsamand Tollway Private Limited

Vasisthakumar C. Patel

(Vasisthakumar C. Patel)
Director
DIN:00048324

Arun Patel

(Arun Patel)
Director
DIN:06365699

Place: Ahmedabad
Date: April 7, 2016



Bhilwara-Rajsamand Tollway Private Limited
Cash Flow Statement for the year ended March 31, 2016

(₹ in Million)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
(A) Cash flows from operating activities		
Net (Loss) before taxation	(0.05)	(0.33)
Net cash (used in) operating activities (A)	(0.05)	(0.33)
(B) Cash Flows from investing activities		
Road Development Expenditure (including Capital Advances)	(2,866.10)	(2,128.60)
Addition in expenditure (excluding Finance cost) during construction period	(15.39)	(14.07)
Purchase of Asset	(1.33)	-
Purchase of Mutual Fund	(352.86)	-
Sale of Mutual Fund	336.58	-
Increase/(Decrease) in loans and advances	572.38	(25.22)
Increase/(Decrease) in other current assets	2.06	(12.24)
Increase in other current liabilities	(521.75)	484.90
Net cash (used) in investing activities (B)	(2,846.41)	(1,695.23)
(C) Cash Flows from financing activities		
Proceeds from long term borrowings	1,330.00	670.00
Sub-ordinate debt received from Promoters	-	1,432.42
Sub-ordinate debt repaid to Promoters	-	(966.44)
Unsecured loans from Holding Company Received	24.80	63.75
Unsecured loans from Holding Company Repaid	(36.70)	(51.85)
Unsecured loan in lieu of grant from Holding Company Received	1,187.80	-
Unsecured loan in lieu of grant from Holding Company Repaid	(1,057.80)	-
Grant Received from NHAI	1,637.53	659.33
Finance costs (amount capitalised)	(239.05)	(120.79)
Net cash generated from financing activities (C)	2,846.58	1,686.42
Net increase/(decrease) in cash and cash equivalents (A + B + C)	0.12	(9.14)
Cash and cash equivalents at beginning of the Year	5.25	14.39
Cash and cash equivalents at end of the Year	5.37	5.25

Notes:

(₹ in Million)

(i) Components of cash and cash equivalents:	As at March 31, 2016	As at March 31, 2015
Cash on hand (₹ 9145/- C.Y and ₹ 13855/- P.Y)	0.01	0.01
Balances with banks in current accounts	5.36	5.24
Cash and cash equivalents (Refer Note 12)	5.37	5.25

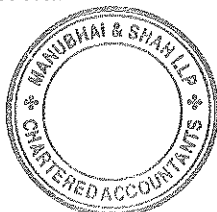
(ii) The cash flow statement has been prepared under indirect method as per Accounting Standard -3 "Cash Flow Statement".

(iii) Figures in brackets represent outflows.

As per our report of even date
For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W

K.C. Patel
(K.C. Patel)
Partner
Membership No.30083

Place: Ahmedabad
Date: April 7, 2016



For & on behalf of the Board of Directors of
Bhilwara-Rajsamand Tollway Private Limited

Vasisthakumar G. Patel
(Vasisthakumar G. Patel)
Director
DIN:00048324

Place: Ahmedabad
Date: April 7, 2016

Arun Patel
(Arun Patel)
Director
DIN:06365699



Bhilwara-Rajsamand Tollway Private Limited

Notes on accounts forming part of Financial Statements

Overview of the Company :

Bhilwara-Rajsamand Tollway Private Limited ("the Company") was incorporated as a Special Purpose Vehicle (SPV) in December, 2012, for the purpose of Four Laning of Rajsamand (NH-8)- Gangapur-Bhilwara (NH-79) in the section of NH-758 (from km 0.000 to km 86.400) in the state of Rajasthan on Design, Build, Finance, Operate and Transfer (Toll) basis. The Company has entered into Concession Agreement with National Highways Authority of India (NHAI) with a Concession Period of 30 years including construction period of 910 days.

1 Statement of Significant Accounting Policies :

1.1 Basis of preparation of Financial Statements :

The accompanying Financial Statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the requirements of Accounting Standards as specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India. The accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hereto in use.

1.2 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management of the Company to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

1.3 Tangible Assets :

Tangible Assets are stated at cost less accumulated depreciation and impairment losses, if any. Direct cost comprises of all expenditure of capital in nature attributable to bringing the tangible fixed asset to working condition for its intended use and incidental expenses including interest relating to acquisition, until fixed assets are ready to be put to use.

1.4 Intangible Asset under development:

- (i) Intangible asset under development comprises of road development cost including other capital assets till they are ready for their intended use as at the reporting date of the financial statements as well as "Expenditure During Construction Period (pending allocation)" These shall be capitalised as an intangible asset on Commercial Operation Date (COD).
- (ii) Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during the construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Income earned during construction period is deducted from the total of the indirect expenditure. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto, is charged to Statement of Profit and Loss.

1.5 Depreciation and Amortisation:

(i) Depreciation

Depreciation on tangible assets, other than Project Assets is provided on the Written Down Value (WDV) method over the useful lives of assets as specified in Schedule II to the Companies Act, 2013. Project Assets are amortized on straight line basis over the useful lives of assets as specified in Schedule II of the Companies Act, 2013. Depreciation on assets purchased / sold during a period is proportionately charged.

(ii) Amortisation

(a) Toll Collection Rights are amortised based on proportion of actual revenue received during the accounting year to the total projected revenue till the end of the concession period prescribed under Schedule II to the Companies Act, 2013.

(b) The total projected revenue for the entire useful life is reviewed at the end of each financial year for expected changes in traffic and adjusted to reflect any changes in the estimate which will lead to actual collection at the end of useful life.



Bhilwara-Rajsamand Tollway Private Limited

Notes on accounts forming part of Financial Statements

1.6 Impairment of Assets:

- (i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. On such indication, the recoverable amount of the assets is estimated and if such estimation is less than its carrying amount, the carrying amount is reduced to 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 using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.
- (ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

1.7 Revenue Recognition :

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

- (i) Gain / Loss on Sale of Units of Mutual Fund and dividend income from investment in units of mutual fund is recognised on realisation.
- (ii) Interest on deposits, investments and loans given is recognized on a time proportion basis taking into account the amounts invested and the rate applicable.

1.8 Investments:

- (i) Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made , are classified as current investments. All other investments are classified as long-term investments.
- (ii) Current investments are carried at lower of cost and fair value. Long term investments are carried at cost less provision for diminution, other than of temporary nature, in value of such investments.

1.9 Borrowing Costs:

Borrowing costs directly attributable to the acquisition and construction 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. All other borrowing costs, if any, are charged to the Statement of Profit & Loss as period costs.

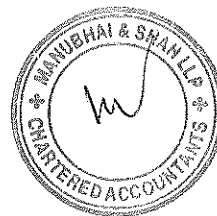
1.10 Grant:

Grant received from National Highway Authority of India is in nature of promoters contribution hence treated as capital receipt and is accounted as Capital Reserve.

1.11 Leases:

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of Profit and Loss on a straight-line basis over the lease term.



Bhilwara-Rajsamand Tollway Private Limited

Notes on accounts forming part of Financial Statements

1.12 Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

1.13 Taxes on Income:

Income Tax expense comprises of current tax and deferred tax (charge or credit).

- (i) Current tax is determined as the amount of tax payable in respect of taxable income for the year. Provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions under the Income Tax Act, 1961.
- (ii) Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.
- (iii) Deferred Tax Assets and Deferred Tax Liabilities are reviewed for appropriateness of their respective carrying values at each balance sheet date.

1.14 Provisions, Contingent Liabilities and Contingent Assets:

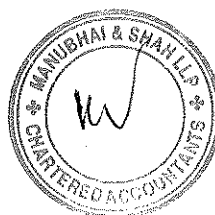
- (i) A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on 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 best estimates.
- (ii) Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

1.15 Cash and Cash Equivalents:

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

1.16 General

Any other accounting policy not specifically referred to are consistent with generally accepted accounting principles.



Bhilwara-Rajsamand Tollway Private Limited

Notes on accounts forming part of Financial Statements

2 Share capital

(i) Authorised, Issued, Subscribed and Paid- Up Capital :

(₹ in Million)

Particulars	As at	As at
	March 31, 2016	March 31, 2015
Authorised		
26,700,000 Equity Shares of ₹10/- each (P.Y. 26,700,000 Equity Shares of ₹10/- each)	267.00	267.00
Total	267.00	267.00
Issued , Subscribed and Paid Up		
17,340,000 Equity Shares of ₹10/- each (P.Y. 17,340,000 Equity Shares of ₹10/- each)	173.40	173.40
Total	173.40	173.40

(ii) Reconciliation of number of equity shares outstanding as at beginning and end of the reporting period:

Particulars	As at	As at
	March 31, 2016	March 31, 2015
Number of Shares outstanding at the beginning and at the end of the Year	17,340,000	17,340,000

(iii) Rights of Shareholders, Dividend and Repayment of Capital:

(a) The Company has only one class of shares referred to as equity shares having a par value of ₹10/- .

(b) Each holder of equity shares is entitled to one vote per share.

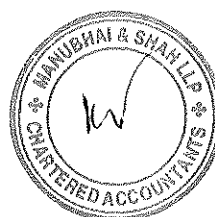
(c) In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the residual assets of the Company, after distribution of all preferential amounts. However, currently no such preferential amount exists. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

(iv) Out of issued, subscribed and paid up equity capital 17,340,000 shares (P.Y. 17,340,000 shares) are held by Sadbhav Infrastructure Project Limited- holding company and its nominees. Also, as at March 31,2016, 100 shares are held by Sadbhav Engineering Limited- Ultimate Holding Company, on behalf of Sadbhav Infrastructure Project Limited which is the beneficial owner.

(v) The details of shareholders holding more than 5% of issued equity share capital as on March 31, 2016 is set out below:

Name of Shareholder	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	% to Total	No. of Shares	% to Total
Sadbhav Infrastructure Project Limited (including its Nominees)	17,339,900	100%	17,339,900	100%
Sadhav Engineering Limited	100 **	0%	100	0%
Total	17,340,000	100%	17,340,000	100%

** As per the records of the company, including its registers of shareholders/member and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



Notes on accounts forming part of Financial Statements

3 Reserves and surplus

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
Capital Reserve- Grant from NHAI (Refer Note i below)		
Opening Balance	1,224.15	-
Add: Received during the year	1,202.84	1,224.15
Balance as at the end of the year	2,426.99	1,224.15
Surplus/(Deficit)		
(Deficit) at the beginning of the Year	(2.29)	(1.96)
Add: Net loss after tax transferred from Statement of Profit and Loss	(0.05)	(0.33)
(Deficit) as at end of the year	(2.34)	(2.29)
Total	2,424.65	1,221.86

* Amount is below rounding off norm adopted by the Company.

- (i) Grant From National Highway Authorities of India (Equity Support): In accordance with Concession Agreement with National Highways Authority of India (NHAI), the Company is eligible for cash support in the form of an outright grant of ₹ 2,664.00 Millions and which is to be disbursed by NHAI as equity support towards the project. The said equity support becomes due and payable to the Company after it has infused the equity and is to be disbursed proportionately along with the term loans thereafter remaining to be disbursed by the lenders under financing agreements. Accordingly, Company has recognised the grant from NHAI in proportion to the disbursement availed upto March, 31 2016.

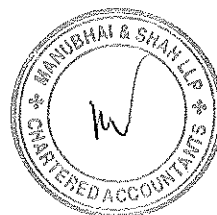
4 Long Term Borrowings

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
Secured :		
Term Loans from Banks	2,600.10	1,270.10
Unsecured :		
Loans from Promoters (Refer Note 18)	1,159.60	1,159.60
(Sub-Ordinate Debt from Promoters, in terms of Rupee Facility Agreement)		
Total	3,759.70	2,429.70

- (i) The details of Security in respect of Term Loans are as under:

- 1 first ranking mortgage and charge on all the Company's immovable properties, both present and future, save and except the Project Assets;
- 2 first charge on all the Company's tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future, save and except the Project Assets;
- 3 first charge over all bank accounts of the Company including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with Loan Agreement and the Supplementary Escrow Agreement or any other Project Documents and all funds from time to time deposited therein, including those arising out of realisation of Receivable and all Permitted Investments or other securities representing all amounts credited thereto.
- 4 first charge on all intangibles assets of the Company including but not limited to goodwill, rights, undertakings and uncalled capital present and future excluding the Project Assets .
- 5 assignment by way of security in:
 - all the right, title, interest, benefits, claims and demands whatsoever of the Company in the Project Documents;
 - the right, title and interest of the Company in, to and under all the Clearances;
 - all the right, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents;



Bhilwara-Rajsamand Tollway Private Limited

Notes on accounts forming part of Financial Statements

- all the right, title, interest, benefits, claims and demands whatsoever of the Company under all Insurance Contracts.

6 a first ranking pledge of shares equivalent to 51% of the paid- up share capital held by the Promoters in compliance with the requirements of Sections 19(2) and 19(3) of the Banking Regulation Act ,1949 till the Final Settlement date.

Notes:

- the aforesaid mortgages, charges, assignments and guarantees and the pledge of equity shares as stipulated in paragraph 6 above shall in all respects rank pari-passu inter-se amongst the Lenders, in accordance with the Concession Agreement, without any preference or priority to one over the other or others;

- the Security Interest stipulated in para 1 to 6 above shall exclude the Project Assets (as defined in and in accordance with the Concession Agreement).

(if) Terms of Repayment :

In respect of:

(a) Term Loans from Banks:

The Principal amounts of the Loan is repayable to the Lenders in 174 structured monthly installments, commencing from the expiry of thirteenth (13th) calendar month starting from the calendar month in which the SCOD occurs.

Term loans carry average interest rate of 11.60 per cent per annum as at March 31, 2016.

(b) Subordinate debt from Promoters:

- Subordinate debt from Promoters is repayable after the Term Loans to be availed under the Rupee Facility Agreement are irrevocably and unconditionally paid and discharged in full satisfaction of the lenders.
- Sub-ordinate debts from promoters are interest free.

5 Short Term Borrowings

(₹ in Million)

Particulars	As at	As at
	March 31, 2016	March 31, 2015
Unsecured :(Refer Note 18)		
Loans from Holding Company	-	11.90
Loan in Lieu of Grant from Promoter	130.00	-
Total	130.00	11.90

6 Other Current Liabilities

(₹ in Million)

Particulars	As at	As at
	March 31, 2016	March 31, 2015
Payable towards Road Development Expenditure (Refer Note No. 18)	182.90	699.70
Interest Accrued and Due on Short-term Borrowings	-	0.78
Statutory dues	11.47	15.75
Others**	6.44	6.33
Total	200.81	722.56

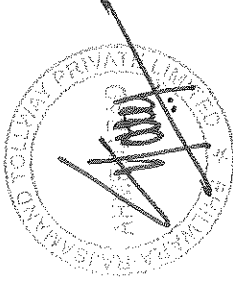
** There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days at the balance sheet date. The above information has been determined to the extent such parties have been identified on the basis of the information available with the Company. This has been relied upon by the auditors.



(₹ in Million)

7 Fixed Assets
7.1 Tangible Assets

Particulars	Gross Block			Depreciation / Amortisation			Net Block	
	As At April 1, 2015	Addition During the Year	Sale During the Year	As At April 1, 2015	For The Year	Up to Mar 31, 2016	As At Mar 31, 2016	As At March 31, 2015
Tangible Asset								
Plant & Machineries	-	1.37	-	-	0.04	0.04	1.33	-
Total	-	1.37	-	-	0.04	0.04	1.33	-
Previous Year	-	-	-	-	-	-	-	-



Bhilwara-Rajsamand Tollway Private Limited

Notes on accounts forming part of Financial Statements
7.2 Intangible Asset under Development

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
I Road Development Expenditure		
Opening balance as at the beginning of the year	3,081.33	744.62
Add: Expenditure incurred during the year	2,867.35	2,336.71
Closing balance as at the end of the year (I)	5,948.68	3,081.33
II Expenditure during construction period (Pending allocation)		
Opening balance as at the beginning of the year	276.54	141.68
Add: Expenditure incurred during the year		
(a) Finance Costs:		
Interest on:		
- Term Loans from Banks	238.60	119.53
- Unsecured Loan from Holding Company	0.38	0.90
- Others	-	0.04
Other Borrowing costs:		
- Processing and Upfront Fees	-	0.22
- Bank Charges and other charges	0.06	0.12
	239.04	120.81
Less: Gain on Sale of Units of Mutual Fund Investments(Net)	(1.26)	(0.17)
Interest on National Savings Certificate (*₹ 2,052/- of C.Y. & *₹ 2062/- of P.Y.)	*	*
Interest on Fixed Deposit	-	(0.07)
	237.78	120.57
(b) Other Expenses :		
Rent	1.03	1.01
Insurance	0.62	1.01
Rates and Taxes (P.Y. *₹ 2,375/-)	-	*
Stamp duty	-	0.02
Legal and Professional Fees	13.25	12.01
Depreciation	0.04	-
Auditor's Remuneration		
- Statutory Audit	0.07	0.05
- Certification Fees	0.31	0.13
- Other services	0.04	0.0
	0.42	0.21
Travelling and Conveyance	0.02	0.02
Printing and Stationery (C.Y. ₹4500* and P.Y. ₹ 1,435/-)	*	*
Other Miscellaneous expenses (C.Y. ₹ 999/- & *P.Y. ₹ 11010/-)	*	0.01
Telephone & Postage (C.Y. ₹ 6981/-)	0.01	-
Tota (a)+(b)	253.17	134.86
Closing balance as at the end of the Year (II)	529.71	276.54
Grand Total (I + II)	6,478.39	3,357.87

* Amount is below rounding off norm adopted by the Company



Bhilwara-Rajsamand Tollway Private Limited

Notes on accounts forming part of Financial Statements

8 Non-Current Investments

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
Investment Property (At Cost)* Land	2.27	2.27
Government Securities (At Cost) National Savings Certificates (NSC)	0.02	0.02
Total	2.29	2.29

* Charge is created by way of mortgage on the land as mentioned in note 4. Area of land is 175.50 Sq. mtrs and it is situated at Sudhagad taluka, District Raigad.

9 Long Term Loans and Advances

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
Secured , Considered Good Capital Advances to Ultimate holding company (Refer Note 18)	-	591.70
Tax Credit Receivable	44.57	25.25
Total	44.57	616.95

10 Other Non-Currents Assets

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
Interest Accrued But Not Due on NSC (*₹ 4423/- of C.Y. & *₹ 2373 of P.Y.)	*	*
Total	*	*

* Amount is below rounding off norm adopted by the Company

11 Current Investments

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
Investment Mutual Fund 803186.412 units of ICICI Ultra Short Term Plan - Growth (P.Y. Nil Units)	4.09	-
18331.064 units of ICICI Liquid Plan (P.Y. Nil Units)	12.20	-
Total	16.29	-

12 Cash and Cash Equivalents

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
Cash on hand (C.Y. ₹ 9145/- P.Y. ₹ 13855/-)	0.01	0.01
Balance with Banks in Current accounts	5.36	5.24
Total	5.37	5.25

Balances in Banks including Escrow Accounts are offered as a security against borrowings as per terms of borrowings with the lenders.

13 Other Currents Assets

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
Receivable from NHAI towards Utility Shifting	10.18	12.24
Grant Receivable from NHAI	130.14	564.82
Total	140.32	577.06



Bhilwara-Rajsamand Tollway Private Limited

Notes on accounts forming part of Financial Statements

14 Comitment towards EPC Contract for development of Project Road :

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 81.32 Million (P.Y ₹ 2,356.97 Million), net of Mobilisation and Material Advances of ₹ Nil (P.Y. ₹ 591.70 Million).

15 In the opinion of the Board of Directors, assets other than fixed assets and non-current investments are realisable at-least at the value stated if realized in the ordinary course of business.

16 Earning Per Share (EPS): (Not Annualised)

Loss per share is calculated by dividing the net loss attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

Particulars	Unit	Year Ended March 31, 2016	Year Ended March 31, 2015
Net (Loss) as per Statement of Profit & Loss	₹ in Million	(0.05)	(0.33)
Weighted average of number of equity shares outstanding during the year	in Nos.	17,340,000	17,340,000
Basic & Diluted (Loss) per share of face value of 10/- each	₹	(0.00)	(0.02)

17 Segment Reporting:

The Company is engaged in one reportable segment viz infrastructure development. Therefore disclosures as Accounting Standard (AS) - 17 "Segment Reporting" are not given.

Further, the Company is carrying its business only in one geographical segment.

18 Related Party Disclosures:

Related party disclosures as required under the Accounting Standard (AS) - 18 on "Related Party Disclosures" are given below:

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

Description of Relationship	Name of the Related Party
Ultimate Holding Company	Sadbhav Engineering Limited (SEL)
Holding Company	Sadbhav Infrastructure Project Limited (SIPL)



Bhilwara-Rajsamand Tollway Private Limited

Notes on accounts forming part of Financial Statements

(b) Transactions with Related Parties during the year :

(₹ in Million)

Sr. No.	Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
(i)	Sub Ordinate Debt received		
	- SIPL	-	1,311.26
	- SEL	-	121.16
(ii)	Sub Ordinate Debt repaid		
	- SIPL	-	664.92
	- SEL	-	301.50
(iii)	Unsecured Loan received		
	- SIPL	24.80	63.75
(iv)	Loan in lieu of Grant		
	- SIPL	130.00	-
(v)	Unsecured Loan repaid along with interest thereon		
	- SIPL	37.48	51.97
(vi)	Interest on Unsecured Loan		
	- SIPL	0.38	0.90
(vii)	Road Development work		
	- SEL	2,867.35	2,336.71
(viii)	Material Advance given		
	- SEL	-	73.19
(ix)	Mobilization and Material Advance recovered		
	- SEL	591.70	281.30
(x)	Rent		
	- SEL	1.03	1.01
(xi)	Project Development & Financial Advisory Fees		
	- SIPL	-	-
(xii)	Utility Shifting, reimbursement of Expenses		
	- SEL	152.40	30.92

* Amount is below rounding off norm adopted by the Company

(c) Balance outstanding as at March 31, 2016

(₹ in Million)

Sr. No.	Particulars	As at March 31, 2016	As at March 31, 2015
(i)	Sub Ordinate Debt taken		
	- SIPL	1,159.60	1,159.60
	- SEL	-	-
(ii)	Unsecured Loan taken		
	- SIPL	0.00	11.90
(iii)	Loan in Lieu of Grant		
	- SIPL	130.00	-
(iv)	Payable towards Road Development		
	- SEL	182.90	699.70
(v)	Mobilization and Material advance		
	- SEL	0.00	591.70
(vi)	Payable towards Rent, Reimbursement and Utility Shifting Expenses		
	- SIPL	0.00	1.08
	- SEL	0.49	3.77
(vii)	Interest Payable on Unsecured Loan		
	- SIPL	0.00	0.78

* Amount is below rounding off norm adopted by the Company



Bhilwara-Rajsamand Tollway Private Limited

Notes on accounts forming part of Financial Statements

19 Operating Leases:

Office premises of the Company is obtained on operating lease. The lease rent paid during the year is ₹1.01 Million (P.Y ₹1.01 Million).

20 Deferred Tax Asset (net):

In accordance with Accounting Standard 22 "Accounting for Taxes on Income", the Company has Deferred Tax Assets of ₹ 0.08 Million (P.Y ₹ 0.1 Million) on account of differences in preliminary expense allowable in Income tax and charged off in the books of account. The Company does not have Deferred Tax Liabilities during the current and previous year. As a matter of prudence deferred tax assets, have not been recognized.

21 Current Tax:

As there is no taxable income, tax liability as per the provisions of Income Tax Act, 1961 is ₹ Nil.

22 Previous Year Figures:

Previous year's figures have been regrouped, rearranged and reclassified wherever necessary to facilitate comparability with current year's classification.

For Manubhai & Shah
Chartered Accountants
ICAI Firm Registration No. 106041W



(K.C. Patel)
Partner
Membership No.30083

Place: Ahmedabad
Date: April 7, 2016



For & on behalf of the Board of Directors of
Bhilwara-Rajsamand Tollway Private Limited



(Vasisthakumar C. Patel)
Director
DIN:00048324



(Arun Patel)
Director
DIN:06365699

Place: Ahmedabad
Date: April 7, 2016

