

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF BANGALORE ELEVATED TOLLWAY PRIVATE LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of **Bangalore Elevated 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

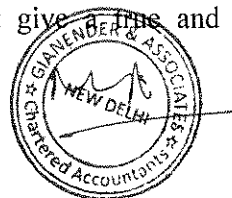
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 thereunder.

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.

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 Companies Act, 2013, we enclosed in the annexure a statement on the matters specified in paragraph 3 and 4 of the said 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. There are no observations or comments on the financial transactions or matters which have any adverse effect on the functioning of the company.
  - f. On the basis of the written representations received from the directors as on 31st March, 2016 taken on record, 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.
  - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-A".
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,



in our opinion and to the best of our information and according to the explanations given to us:

- i. The company has not pending litigation which would impact its financial position;
- ii. The company did not have any long-term contract including derivative contract for which there were any material foreseeable losses;
- iii. There were no amount which were required by the company to be transferred to the Investor Education and Protection Fund.

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



A handwritten signature in black ink, appearing to read "Manju Agrawal".

Manju Agrawal  
(Partner)

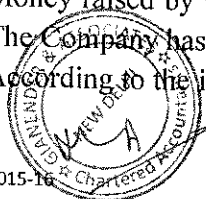
(Membership No. 083878)

Place : New Delhi  
Date:28/04/2016

**Annexures to the Independent Auditor's Report of Bangalore Elevated Tollway Private Limited for the Year ended as on 31<sup>st</sup> March 2016**

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

- i. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) The Fixed Assets have been physically verified by the management at regular intervals and no material discrepancies were noticed on such verification
- c) The title deeds of immoveable properties are held in the name of the company.
- ii. As the company is engage in the business of infrastructure development, operations and its maintenance and there is no inventory in hand at any point of time, hence paragraph 3(ii) of the Order is not applicable to the company.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liabilities partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, reporting under clause (a) to (c) of Para 3(iii) are not applicable.
- iv. The Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185 and 186 of the Companies Act, 2013. Therefore the paragraph 3(iv) of the Order is not applicable to the company.
- v. The Company has not accepted deposits in terms of the provisions of section 73 to 76 of the Companies Act, 2013 and rules framed there under. Therefore the paragraph 3(v) of the Order is not applicable to the company.
- vi. The Company is prima-facie maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013
- vii. a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has been generally regular in depositing undisputed statutory dues including provident fund, employee state insurance, income tax, service tax, value added tax, cess and other statutory dues during the year with the appropriate authorities. As on 31<sup>st</sup> March 2016, there are no undisputed statutory dues payables for period exceeding for a period more than six month from the date they become payable except labour cess amounting to Rs. 2,44,89,388/-.
- b) According to the information and explanations given to us, there were no statutory dues pending in respect of income tax, sales tax, VAT, custom duty and cess etc. on account of any dispute.
- viii. During the year the company has not defaulted in repayment of loans or borrowing to the bank. The company has not taken any loan or borrowings from any financial institution or Government. The company has not issued debentures.
- ix. Money raised by way of term loan were applied for the purpose for which it was raised. The Company has not raised money by way of initial public offer or further public offer.
- x. According to the information and explanation given to us by the management which have



been relied by us, there were no frauds on or by the company noticed or reported during the period under audit.

- xi. The company has not paid any managerial remuneration. Therefore the provisions of section 197 read with Schedule V of the Companies Act 2013 are not applicable.
- xii. The company is not a Nidhi Company, therefore para 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information provided to use, the transaction entered with the related parties are in compliance with section 177 and 188 of the Act and are disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to the information provided to us, the company had not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information provided to us, the company has not entered into any non-cash transaction with directors or the persons connected with him covered under section 192 of the Companies Act 2013. Therefore, paragraph 3(xv) of the Order is not applicable to the company.
- xvi. According to the information provided to us, the company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934. Therefore, paragraph 3(xvi) of the Order is not applicable to the company.

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



Manju Agrawal  
(Partner)

(Membership No. 083878)

Place : New Delhi  
Date:28/04/2016

## **Annexure-A**

**Annexure referred to in paragraph 2 under the heading “Report on Other Legal and Regulatory Requirements” of our report on even date:-**

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

We have audited the internal financial controls over financial reporting of **Bangalore Elevated 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**

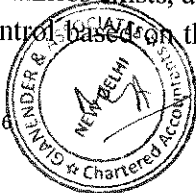
The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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



judgement, 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 my /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; (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, 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.

For Gianender & Associates  
Chartered Accountants

(Firm's Registration No. 004661N)



*Manju Agrawal*

Manju Agrawal  
(Partner)

(Membership No. 083878)



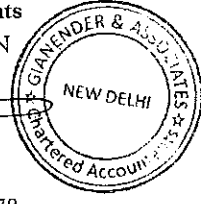
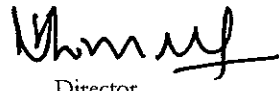
Place : New Delhi  
Date:28/04/2016





**BANGALORE ELEVATED TOLLWAY PRIVATE LIMITED**

**BALANCE SHEET AS AT MARCH 31, 2016**

Particulars	Note No	As at 31-03-2016 Rupees.	As at 31-03-2015 Rupees.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	1	345,331,290	345,331,290
Reserves and surplus	2	857,227,888	1,237,910,823
		<b>1,202,559,178</b>	<b>1,583,242,113</b>
<b>Non-Current Liabilities</b>			
Long-term borrowings	3	5,710,687,319	6,227,756,330
Long term Provisions	4	3,414,000	119,032,500
		<b>5,714,101,319</b>	<b>6,346,788,830</b>
<b>Current liabilities</b>			
Short Term Borrowings		-	-
Trade Payables	5	97,642,100	5,930,469
Other current liabilities	6	678,887,953	472,203,885
Short Term Provisions	7	138,606,737	-
		<b>915,136,790</b>	<b>478,134,354</b>
<b>Total</b>		<b>7,831,797,288</b>	<b>8,408,165,297</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Fixed assets			
- Tangible assets	8	40,881,660	44,399,293
- Intangible assets	8	7,476,010,656	7,961,813,685
- Non Current Investments	9	267,390	100,000
Long term loans and advances		-	-
		<b>7,517,159,706</b>	<b>8,006,312,978</b>
<b>Current Assets</b>			
Current Investments	10	7,583,233	266,906,445
Cash and Bank Balances	11	273,832,356	107,992,703
Short term loan and advances	12	5,123,544	482,530
Other Current Assets	13	28,098,448	26,470,641
		<b>314,637,581</b>	<b>401,852,319</b>
<b>Total</b>		<b>7,831,797,288</b>	<b>8,408,165,297</b>
Summary of Significant Accounting Policies	22		
The accompanying notes (No.1 to 35) form an integral part of financial statements.			
As per our report of even date attached			
For Gianender & Associates		For and on behalf of the Board	
Chartered Accountants			
Firm Regn No. 04661N			
 Manju Agrawal Partner Membership No 083878		 Director ALLURI RAGHAV VARMA DIN: 01033094	
		 Director MAGANTI MOHAN DAS DIN: 00473671	
Place: 28-04-2016			
Date: 28-04-2016			

**BANGALORE ELEVATED TOLLWAY PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

Particulars	Note No.	March 31, 2016 Rupees	March 31, 2015 Rupees
<b>INCOME</b>			
Revenue from Operations	14	1,189,327,830	1,085,934,007
Other Income	15	17,933,160	13,178,695
<b>Total</b>		<b>1,207,260,990</b>	<b>1,099,112,702</b>
<b>EXPENSES</b>			
Operating & Maintenance expenses	16	347,153,616	82,815,036
Employee Benefits Expense	17	47,178,938	42,529,863
Finance Costs	18	646,946,115	631,661,947
Deprecitation & Amortization expense	19	492,071,983	414,401,107
Administrative & Other expenses	20	54,593,273	35,041,653
<b>Total</b>		<b>1,587,943,925</b>	<b>1,206,449,607</b>
Profit / (Loss) before tax		(380,682,935)	(107,336,905)
Deferred Tax Liability		-	-
Tax Expense		-	-
a. Current Tax		-	-
b. Provision for Income Tax written back		-	-
c. Deferred Tax		-	-
<b>Profit / (Loss) for the period</b>		<b>(380,682,935)</b>	<b>(107,336,905)</b>
Earnings per Equity share of Rs.10/-each fully paid			
Basic		(17.63)	(4.97)
Diluted		(17.63)	(4.97)
Summary of Significant Accounting Policies	22		

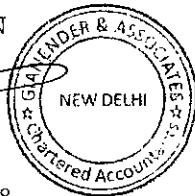
The accompanying notes ( No.1 to 35 ) form an integral part of financial statements.

As per our report of even date attached

For Gianender & Associates  
Chartered Accountants

Firm Regn No. 04661N

*Manju Agrawal*  
Manju Agrawal  
Partner  
Membership No 083878



For and on behalf of the Board



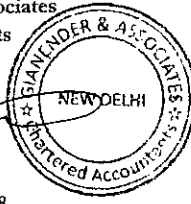
*A.V. Alluri*  
Director  
ALLURI RAGHU VARMA  
DIN: 010 33094

*M. Maganti Mohan Das*  
Director  
MAGANTI MOHAN DAS  
DIN: 00473671

Place:

Date: 28-04-2016

**BANGALORE ELEVATED TOLLWAY PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016**

	March 31, 2016 Rupees	March 31, 2015 Rupees
<b>Cash Flow from Operating Activities:</b>		
Net Profit before Tax	(380,682,935)	(107,336,905)
Adjustment for:		
Other income	(17,933,160)	(13,178,695)
Non Cash adjustments		
Depreciation and amortisation	492,071,983	414,615,800
Interest and Financial Charges	646,946,115	631,661,947
Operating Profit before Working Capital Changes	<b>740,402,003</b>	<b>925,762,148</b>
Movements in Working Capital :		
Increase/(decrease) in long term provisions	(115,618,500)	22,168,000
Increase/(decrease) in trade payables	91,711,631	1,893,320
Increase/(decrease) in other current liabilities	(23,325,960)	12,261,516
Increase/(decrease) in short term provisions	138,606,737	-
Decrease/(increase) in long term loans and advances	-	-
Increase/(decrease) in trade receivables	-	-
Decrease/(increase) in other current assets	(1,627,807)	(10,396,340)
Decrease/(increase) in short term loans and advances	(4,641,014)	2,951
<b>Net Cash from Operating activities: (A)</b>	<b>825,507,090</b>	<b>951,691,595</b>
<b>Cash Flow from Investing Activities:</b>		
Movement in Fixed Assets and other capital work in progress	(2,751,321)	(28,834,898)
Increase/ (Decrease) in Construction liabilities	33,565,431	966,232
Proceeds from Dividend Income	17,933,160	13,178,695
Movement on Non Current Investments	(167,390)	-
Purchase of Current Investments	259,323,212	(173,061,777)
<b>Net Cash used in Investing activities ( B)</b>	<b>307,903,092</b>	<b>(187,751,748)</b>
<b>Cash Flow from Financing Activities:</b>		
Proceeds from issue of shares	-	-
Share Premium from issue of Shares	-	-
Share Application Money	-	-
Sub debt from promoters	-	-
Proceeds/(Repayment) From Term Loan from Banks	(317,569,011)	(85,500,000)
Interest and Other finance charges paid	(650,001,518)	(670,082,450)
Income Tax	-	-
<b>Net Cash from Financing activities ( C)</b>	<b>(967,570,529)</b>	<b>(755,582,450)</b>
<b>Net change in Cash and Cash Equivalents (A+B+C)</b>	<b>165,839,653</b>	<b>8,357,397</b>
Cash and Cash Equivalents as at 1st April 2015 (Opening Balance)	107,992,703	99,635,306
Cash and Cash Equivalents as at 31st March 2016(Closing Balance)	273,832,356	107,992,703
<b>NET CASHFLOW</b>	<b>165,839,653</b>	<b>8,357,397</b>
Foot Note: 1) The Cash Flow Statement is prepared in accordance with the indirect Method stated in Accounting Standards 3 on		
2) Figures in bracket represent cash outflows.		
3) Components of Cash and Cash equivalent		
Cash on hand	3,446,163	3,153,365
Balances with banks		
- in Current Account	115,702,666	104,839,338
in Fixed Deposits	154,683,527	-
<b>Total</b>	<b>273,832,356</b>	<b>107,992,703</b>
As per our report of even date attached		
For Gianender & Associates	For and on behalf of the Board	
Chartered Accountants		
Firm Regn No. 04661N		
		
Manju Agrawal	Director	
Partner	Director	
Membership No 083878		
		
Place:	ALLURI RAGHUVAMA MAGANTI MOHAN DAS	
Date: 28-04-2016	DIN: 01033094      DIN: 00473671	

**BANGALORE ELEVATED TOLLWAY PRIVATE LIMITED**  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

**Note 1**

SHARE CAPITAL	Rupees			
	March 31, 2016		March 31, 2015	
	Number	Amount	Number	Amount
<b>Authorised</b>				
Equity Shares				
Equity shares of Rs.10 each	21,592,720	215,927,200	21,592,720	215,927,200
<b>Preference Shares</b>				
Preference shares of Rs.10 each	13,000,000	130,000,000	13,000,000	130,000,000
		<b>345,927,200</b>		<b>345,927,200</b>
<b>Issued, Subscribed and Paidup Shares</b>				
Equity share of Rs.10 each	21,591,279	215,912,790	21,591,279	215,912,790
Preference Shares				
Preference share of Rs.10 each	12,941,850	129,418,500	12,941,850	129,418,500
		<b>345,331,290</b>		<b>345,331,290</b>

**Footnotes:**

**I.Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	March 31, 2016		March 31, 2015	
	Number	Amount	Number	Amount
<b>Equity Shares</b>				
Shares outstanding at the beginning of the year	21,591,279	215,912,790	21,591,279	215,912,790
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<b>21,591,279</b>	<b>215,912,790</b>	<b>21,591,279</b>	<b>215,912,790</b>
<b>9% Redeemable Cumulative Convertible Preference Shares</b>				
Shares outstanding at the beginning of the year	12,941,850	129,418,500	12,941,850	129,418,500
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<b>12,941,850</b>	<b>129,418,500</b>	<b>12,941,850</b>	<b>129,418,500</b>
<b>Total</b>		<b>345,331,290</b>		<b>345,331,290</b>

II. The company has only one class of equity shares having par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend, if any proposed, by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

**III Details of share holders holding more than 5% share in the company**

	March 31, 2016		March 31, 2015	
	Number	% Holding in the class	Number	% Holding in the class
<b>Equity shares</b>				
NCC Infrastructure Holdings Limited & its nominees	8,124,286	37.63	8,124,286	37.63
Soma Enterprose Limited & its nominees	8,204,686	38.00	8,204,686	38.00
IL & FS Engineering And Construction Company Ltd & its nominees	5,181,907	24.00	5,181,907	24.00
<b>9% Redeemable Cumulative Convertible Preference Shares</b>				
NCC Infrastructure Holdings Limited- Holding Co.	5,250,000	40.57	5,250,000	40.57
Soma Enterprose Limited	5,250,000	40.57	5,250,000	40.57
IL & FS Engineering And Construction Company Ltd	2,441,850	18.87	2,441,850	18.87

**Note 2**

**RESERVES AND SURPLUS**

	Rupees	
	March 31, 2016 Amount	March 31, 2015 Amount
<b>Securities Premium Account</b>		
As per the last financial statements	2,801,163,060	2,801,163,060
Add: Premium on Pref. Shares allotted during the year	-	-
Add: Premium on Equity Shares allotted during the year	-	-
<b>Closing Balance</b>	<b>2,801,163,060</b>	<b>2,801,163,060</b>
<b>Surplus/(deficit) in the statement of Profit and Loss</b>		
As per the last financial statements	(1,563,252,237)	(1,455,700,639)
Loss for the year	(380,682,935)	(107,336,905)
Depreciation adjustment as per new Companies Act	-	(214,693)
<b>Net deficit in the statement of Profit and Loss</b>	<b>(1,943,935,172)</b>	<b>(1,563,252,237)</b>
<b>Total Reserve and Surplus</b>	<b>857,227,888</b>	<b>1,237,910,823</b>



**BANGALORE ELEVATED TOLLWAY PRIVATE LIMITED**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

**Note 3**

**LONG-TERM BORROWING**

	As at 31-03-2016	As at 31-03-2015
	Rupees	Rupees
a) Term Loan - Secured		
Rupee Loan from Punjab National Bank	4,653,581,669	5,170,650,680
(A)	<b>4,653,581,669</b>	<b>5,170,650,680</b>
b) Loans and advances from related parties -Unsecured		
NCCIHIL	401,679,200	401,679,200
Soma Enterprise Ltd	401,720,150	401,720,150
IL & FS Engineering and Construcion Co Ltd	253,706,300	253,706,300
(B)	<b>1,057,105,650</b>	<b>1,057,105,650</b>
<b>Total (A+B)</b>	<b>5,710,687,319</b>	<b>6,227,756,330</b>

**a. Security Terms**

First charge on all the borrower's immovable properties and hypothecation of movable properties both present and future relating to project excluding project assets as defined in Concession Agreement, pledge of 30% shareholding of the promoters in the company with voting rights and non disposable undertaking by the promoters to the extent of 51% of stakeholding in the company.

**b. Repayment Terms**

**Secured Term Loans**

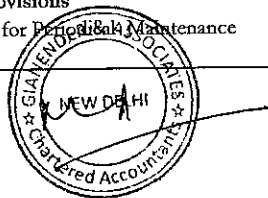
The Indian Rupee Term Loan Consists of Loan borrowed from Punjab National Bank . The interest rate are subject to reset in every year. The next reset is scheduled to be in March -2016. The Loan is repayable in 129 monthly unequal installment ranging from Rs11,50,000/- to Rs 8,99,00,000/-.

**Unsecured Term Loans**

The unsecured loans will be repaid in six equal half yearly installments after repayment of whole of the secured loans.

**Note 4**

	As at 31-03-2016	As at 31-03-2015
	Rupees	Rupees
<b>LONG TERM PROVISIONS</b>		
Provision for Employee benefit ( Ref Note 28)		
Gratuity	2,618,000	1,784,000
Leave Encashment	796,000	541,000
<b>Other Provisions</b>		
Provision for Periodic Maintenance	-	116,707,500
	<b>3,414,000</b>	<b>119,032,500</b>



**BANGALORE ELEVATED TOLLWAY PRIVATE LIMITED**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

Note 5

**TRADE PAYABLES**

	As at 31-03-2016 Rupees	As at 31-03-2015 Rupees
Sundry Creditors	97,642,100	5,930,469
	<b>97,642,100</b>	<b>5,930,469</b>

Note 6

**OTHER CURRENT LIABILITIES**

	As at 31-03-2016 Rupees	As at 31-03-2015 Rupees
Current Maturity of long term debt	513,000,000	313,500,000
Interest Accrued and due	52,962,817	56,018,220
Statutory Payments		
TDS contractors car hire charges	200	-
TDS - Professional Charges	106,919	595,398
TDS - Security Services	62,240	43,127
TDS on Salaires	37,797	7,800
TDS Contracts	2,376,677	99,267
Profession tax - staff	10,800	28,100
Service Tax Payable	325,359	43,868
Cess Payable	24,489,388	30,489,388
ESI Payable	114,359	122,962
P.F.contributions	418,160	393,960
Deposits from users	5,863,912	7,147,617
Audit Fee Payable	247,500	243,585
Bonus Payable	2,762,100	1,751,565
With held Sub contractors	1,103,945	1,103,945
Salaries Payable	2,971,779	2,580,117
Other Payables	7,063,176	26,629,572
Out Standing liabilities	48,973,067	29,657,753
Retention Money	15,997,758	1,747,641
	<b>678,887,953</b>	<b>472,203,885</b>

Note 7

**SHORT TERM PROVISIONS**

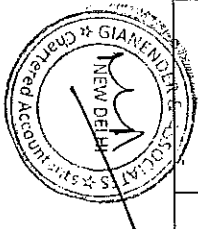
	As at 31-03-2016 Rupees	As at 31-03-2015 Rupees
Provision for Employee benefit ( Ref Note 28)		
Gratuity	44000	-
Leave Encashment	2010	-
Other Provisions		
Provision for Periodical Maintenance	138560727	-
	<b>138,606,737</b>	<b>-</b>



**BANGALORE ELEVATED TOLLWAY PRIVATE LIMITED**  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

Note:8

PARTICULARS	FIXED ASSETS				DEPRECIATION / AMORTISATION				NET BLOCK	
	As At 01.04.2015	Adjustments	Additions	As At 31.03.2016	Up to 31.03.2015	Adjustments	For the Period 01.04.2015 to 31.03.2016	Up to 31.03.2016	As At 31.03.2016	As At 31.03.2015
<b>Tangible Assets</b>										
Plant and Machinery	162,498,634	-	982,231	163,480,865	123,955,851	-	4,765,115	128,720,966	34,759,899	38,542,783
Tools & Equipments	162,103	-	40,754	202,857	45,014	-	25,890	70,904	131,953	117,089
Office Vehicles	8,824,569	(1,458,583)	1,939,015	9,305,001	3,757,868	(524,957)	1,009,129	4,242,039	5,062,962	5,066,791
Construction Accessories	68,155	-	-	68,155	64,747	-	-	64,747	3,408	3,408
Furnitures & Fixtures	45,228	-	6,870	52,098	2,331	-	4,937	7,267	44,831	42,897
Office Equipment	3,102,081	-	71,607	3,818,158	2,475,666	-	463,884	2,939,550	878,608	626,415
<b>Total (A)</b>	<b>174,700,770</b>	<b>(1,458,583)</b>	<b>3,684,947</b>	<b>176,927,134</b>	<b>130,301,477</b>	<b>(524,957)</b>	<b>6,268,954</b>	<b>136,045,474</b>	<b>40,881,660</b>	<b>44,399,293</b>
Previous Year	173,482,665	-	1,218,105	174,700,770	122,439,676	214,693	7,647,109	130,301,477	44,399,293	51,042,989
<b>Intangible Assets</b>										
Carriageway	9,746,950,980	-	-	9,746,950,980	1,785,137,295	-	485,803,029	2,270,940,324	7,476,010,656	7,961,813,685
<b>Total (B)</b>	<b>9,746,950,980</b>	<b>-</b>	<b>-</b>	<b>9,746,950,980</b>	<b>1,785,137,295</b>	<b>-</b>	<b>485,803,029</b>	<b>2,270,940,324</b>	<b>7,476,010,656</b>	<b>7,961,813,685</b>
Previous Year	9,719,548,880	-	27,402,100	9,746,950,980	1,378,383,296	-	400,753,999	1,785,137,295	7,961,813,685	8,341,165,284



(Rupees)

**BANGALORE ELEVATED TOLLWAY PRIVATE LIMITED**  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

Note 9

**NON CURRENT INVESTMENTS**

	31 March 2016 Amount	31 March 2015 Amount
Investment Property	267,390	100,000
	267,390	100,000

Note 10

**CURRENT INVESTMENTS**

	31 March 2016 Amount	31 March 2015 Amount
Mutual Fund - Canara Robeco (Regular Daily Dividend) No of units - 7541.753 @ Rs 1005.50 (Previous Year No of units - 265446.49 @ Rs 1005.50)	7,583,233	266,906,445
	7,583,233	266,906,445

Note 11

**CASH AND BANK BALANCES**

	31 March 2016 Amount	31 March 2015 Amount
Cash & Cash equivalents		
Balances with Bank		
on current accounts	115,702,666	104,839,338
on Bank balances (Fixed deposits including interest accrued thereon)	154,683,527	-
Cash on Hand	3,446,163	3,153,365
	273,832,356	107,992,703

Note 12

**SHORT TERM LOANS & ADVANCES**

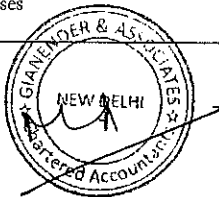
(Unsecured, considered good)

	31 March 2016 Amount	31 March 2015 Amount
Advance to suppliers	255,000	245,000
Advances for expenses	22,870	166,110
Staff Advances	60,800	71,000
Advances to Sub Contractor	4,716,296	-
Others	68,578	420
	5,123,544	482,530

Note 13

**OTHER CURRENT ASSETS**

	31 March 2016 Amount	31 March 2015 Amount
Reivable from NHAI	2,710,387	2,710,387
Reivable from PTTL	302,107	302,107
COS - NHAI RFID Recivable	15,155,192	15,155,192
Tax Deducted at source	629,841	6,607
VAT recoverable	7,370	7,370
Security Deposits	2,925,028	2,807,848
Prepaid Expenses	6,368,523	5,481,130
	28,098,448	26,470,641

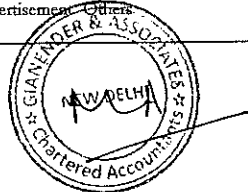




**BANGALORE ELEVATED TOLLWAY PRIVATE LIMITED**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

	31 March 2016 Amount	31 March 2015 Amount
<b>Note 14</b>		
<b>RECEIPTS FROM OPERATIONS</b>		
Toll fee collection	1,189,327,830	1,085,934,007
	<b>1,189,327,830</b>	<b>1,085,934,007</b>
<b>Note 15</b>		
<b>OTHER INCOME</b>		
Interest on Electrical Deposit	182,303	66,058
Interest on Fixed Deposits	6,923,369	
Miscellaneous Receipts	2,150,700	49,950
Interest on Income Tax Refund	-	910
Income from Mutual Fund	8,676,788	13,061,777
	<b>17,933,160</b>	<b>13,178,695</b>
<b>Note 16</b>		
<b>OPERATING &amp; MAINTENANCE EXPENSES</b>		
Repairs & Maintenance	23,678,965	15,229,754
Insurance	6,233,633	5,507,179
Travelling and Conveyance	1,938,073	1,124,899
Professional and consultancy expenses	17,732,938	20,062,109
Vehicle Running Expenses	3,220,449	2,972,781
Maintenance Expenses	282,458,756	23,946,747
Electricity Charges	11,163,894	12,785,672
Electrical Maintenance	726,908	1,185,895
	<b>347,153,616</b>	<b>82,815,036</b>
<b>Note 17</b>		
<b>EMPLOYEE BENEFITS</b>		
Salaries	37,639,611	34,219,962
P.F. Employer Contribution	2,758,569	2,179,189
ESI Employers Contribution	1,041,759	1,065,170
Other employee benefits	5,738,999	5,065,542
	<b>47,178,938</b>	<b>42,529,863</b>
<b>Note 18</b>		
<b>FINANCE COST</b>		
Interest on Term Loans	643,341,078	626,856,926
Interest to Others	62,184	151,603
Bank Charges	3,542,853	4,653,418
	<b>646,946,115</b>	<b>631,661,947</b>
<b>Note 19</b>		
<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation on Tangible assets	6,268,954	7,647,109
Depreciation on Intangible assets	485,803,029	406,753,999
	<b>492,071,983</b>	<b>414,401,107</b>
<b>Note 20</b>		
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rent, Rates and Taxes	575,995	634,742
Concession Fee	1	1
Office Maintenance	649,848	634,933
Printing and Stationery	1,992,106	1,505,967
Soft ware Maintenance Expenses	3,238,320	6,202,316
Postage, Telegrams and Telephones	1,187,610	1,238,279
Profession Tax	2,500	2,500
Miscellaneous Expenses	45,000	27,620
Watch & Ward	45,932,290	23,559,528
Loss on sale of Asset	4,716	-
Payment to Auditors as		
- Auditor	257,625	252,810
- for other services	324,036	200,015
Advertisement - Others	383,226	782,942
	<b>54,593,273</b>	<b>35,041,653</b>



**BANGALORE ELEVATED TOLLWAY PRIVATE LIMITED**  
**NOTES TO FINANCIALS STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**

**Note :21**

**Corporate Information:**

The company is a special purpose vehicle incorporated for execution of the project "Design, Engineering, Finance, Construction, Improvement Operation and Maintenance of the Four Lane Access controlled Expressway programme of Bangalore – Hosur section of NH-7 from Silk Board junction (Km:8.765) to Electronic City junction (km:18.750) Section of NH-7 on Build, Operate and Transfer (BOT) basis. The company has entered into a concession agreement dated January 26, 2006 with National Highways Authority of India. The Concession Agreement is for a period of 20 Years including 2 years of construction from July'2006, the appointed date stated in the said agreement. The company started operations from 7<sup>th</sup> April 2010.

**Note: 22 Summary of Significant Accounting Policies:**

**a) Basis of Preparation:**

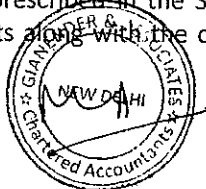
The Company maintains its accounts on accrual basis following the historical cost convention, except for the revaluation of certain fixed assets, in accordance with generally accepted accounting principles ["GAAP"] in compliance with the provisions of the Companies Act, 2013 and the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of The Companies (Accounts) Rules, 2014 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and relevant provisions of the Companies Act, 1956 read with the Circular No.07/2014 dated April 1, 2014 of the Ministry of Corporate Affairs. Further, the guidance notes/announcements issued by the Institute of Chartered Accountants of India are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a materials adjustment to the carrying amounts of assets or liabilities in future periods.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the changes in accounting policy explained below.

**b) Preparation of Financial Statements**

The balance sheet and the statement of Profit and loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act,2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard 3 "Cash Flow Statement. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.



**c) 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. The following specific recognition criteria must also be met before revenue is recognized:

- i. Fee collection from users of the infrastructure facility are accounted for as and when the amount is due and recovery is certain. Income from sale of smart card/ OBU's/RFID tags is recognized as and when the amount is received from the users of the cards/OBU's/RFID tags.
- ii. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.
- iii. Dividend income is recognized when the right to receive is established.
- iv. Other items of income are accounted as and when the right to receive arises.
- v. Profit/loss on sale of investments is recognized at the time of actual sale/redemption.

**d) Fixed Assets:**

**Tangible:**

Tangible Fixed Assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment.

Administrative and other general overhead expenses that are specifically attributable to the construction or acquisition of fixed assets, for bringing the fixed asset to working condition are allocated and capitalized as part of cost of fixed asset.

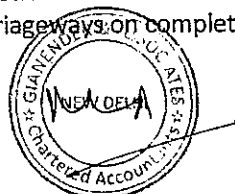
**Intangible Assets:**

Intangible assets are recognized when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and cost of the asset can be measured reliably. Intangible Assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment.

Administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalized as part of cost of intangible asset.

Intangible not ready for intended use on the date of balance sheet are disclosed as "Intangible Assets under Development"

Carriageways representing Toll Collection Rights, obtained in consideration for rendering construction, operation and maintenance services in relation to building and maintenance of the project on Build, Operate and Transfer basis. The cost of such Carriage ways comprises construction cost and other preoperative costs incurred during the implementation phase, such carriageways on completion are capitalized as intangible asset.



**e) Depreciation & Amortization:**

Depreciation:

Depreciation on assets has been provided on Straight line basis at the useful lives specified in the Schedule II of the Companies Act, 2013. Depreciation on additions/ deductions is calculated pro-rata from/ to the month of additions/ deductions.

Amortization:

Toll collection rights in respect of road projects are amortized over the period of concession using the revenue based amortization method prescribed under Schedule II to the companies Act, 2013. Under the revenue based method, amortization is provided based on the proportion of actual revenue earned till the end of the year to the total projected revenue from the intangible asset expected to be earned over the concession period. Total projected revenue is reviewed at the end of each financial year and is adjusted to reflect the changes in earlier estimate vis-à-vis the actual revenue earned till the end of the year so that the whole of the cost of the intangible assets is amortized over the concession period.

Specialized software is amortized over a period of three years on straight line basis from the month in which the addition is made.

Amortization on impaired assets is provided by adjusting the amortization charges in the remaining periods so as to allocate the assets revised carrying amount over its remaining useful life.

**f) Impairment of Assets:**

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine:

- i. The provision for impairment loss, if any required; or
- ii. The reversal, if any, required of impairment loss recognized in previous period.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- (i) In the case of an individual assets, at the higher of the net selling price and the value in use;
- (ii) In the cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's net selling price and the value in use; (Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset from its disposal at the end of its useful life).

**g) Investments**

Long term investments are carried at cost, after providing for any decline in value, if such decline is of other than temporary in nature.

Current Investments are stated at lower of Cost or Market value.



#### **h) Borrowing Cost**

Borrowing costs that are attributable to the acquisition and construction or production of qualifying assets are capitalized as part of cost of such assets, till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

In compliance of AS – 16, 'Borrowing Costs', income earned on temporary investments, out of funds borrowed, which is inextricably linked with the project is deducted from the related borrowing costs incurred.

#### **i) Provisions, Contingent Liabilities & Contingent Assets:**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if:

- a) The company has a present obligation as a result of past event.
- b) A probable outflow of resources is expected to settle the obligation and
- c) The amount of obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of:

- a) A present obligation arising from a past event, when it is not probable that an outflow of resource will be required to settle the obligation.
- b) A possible obligation unless the probability of outflow of resource is remote.  
Contingent assets are neither recognized nor disclosed.

Provisions, Contingent liabilities and Contingent Assets are reviewed at each balance sheet date.

#### **j) Taxes:**

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

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

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

#### **k) Lease:**

Assets acquired on lease where a significant portion of risks and rewards of ownership are retained by the lessor are classified as operating lease.



**l) Employee Benefits:**

Provision for / contributions to retirement benefit schemes are made as follows (As per AS15)

- a) Contribution to Provident Fund – on actual basis.
- b) Provision for Gratuity – as per actuarial valuation.
- c) Provision for leave encashment – as per actuarial valuation.

**m) Foreign Currency Transactions and Derivatives:**

- i) The reporting currency of the company is Indian Rupees.
- ii) Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate on the date of transaction.
- iii) At each Balance sheet date, foreign currency monetary items are reported using the closing rate. Exchange differences, that arises on settlement of monetary items or on reporting at each Balance sheet date, of monetary items at the closing rate or adjusted in the capital work in progress during the construction phase of the project and are recognized as income or expenses in the operations phase.

- n) **Claims:** Claims against the company are accounted for as and when accepted  
Claims by the company are recognized and accounted for as and when received.

**Note:23** 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 the year end together with interest paid/payable as required under the said Act have not been given.

**Note: 24 Taxation**

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

**Note: 25 Segment Reporting:**

The company is engaged in infrastructure business and is a Special Purpose Entity formed for the specific purpose detailed in note no 1 and thus operates in a single business segment. Also it operates in a single geographic segment. In the absence of separate reportable business or geographic segments the disclosures required under the Accounting Standards (AS) 17 – "Segment Reporting" have not been made.

**Note: 26**

The company doesn't have transaction to which the provisions of Accounting Standard AS-2, Valuation of Inventories apply.

**Note:27 Related Party Transactions**



A. Following is the list of related parties and relationships:

SI No.	Name of the Related Party	Relationship
1.	IL&FS Engineering & Constructions Company (Formerly known as Maytas Infra Limited)	Promoter Company having significant influence
2.	NCC Ltd (Formerly known as Nagarjuna Construction Company Limited)	Promoter Company having significant influence
3.	NCC Infrastructure Holdings Limited	Promoter Company having significant influence
4.	Soma Enterprise Limited	Promoter Company having significant influence
5.	Pondicherry Tindivanam Tollway Limited	significant influence

**Key Managerial Persons:**

1. Mr. Raghu Varma Alluri
2. Mr. Jignesh Ramesh Shah
3. Mr. Ankineedu Maganti

B. Related Party ' transactions' during the period & balances ended March 31, 2016 are as follows:

(Figures in Rs.)

SI.No	Particulars	31-03-16	2014-15
1	<b>Share Capital – Equity</b>		
	NCC Infrastructure Holdings Limited	8,12,42,860	8,12,42,860
	Soma Enterprise Limited	8,20,44,860	8,20,44,860
	IL & FS Engineering and Construction Company Limited	5,18,17,070	5,18,17,070
	NCC Limited	8,00,000	8,00,000
2	<b>Share Capital – Preference</b>		
	NCC Infrastructure Holdings Limited	5,25,00,000	5,25,00,000
	Soma Enterprise Limited	5,25,00,000	5,25,00,000
	IL & FS Engineering and Construction Company Limited	2,44,18,500	2,44,18,500
3	<b>Sub Debt – Transactions</b>		
	NCC Infrastructure Holdings Limited	-	-
	Soma Enterprise Limited	-	-
	IL & FS Engineering and Construction Company Limited	-	-
4	<b>Credit Balances – Outstanding</b>		
	IL & FS Engineering and Construction Company Limited (Cr)	2,61,074	18,20,450
	NCC Limited (Cr)	29,27,434	26,95,919
	Soma Enterprise Limited (Cr)	20,72,804	19,24,296
	NCC Infrastructure Holdings Limited (Cr)	4,18,000	-
	Pondicherry Tindivanam Tollway Limited (Dr)	3,02,107	3,02,107
5	<b>Transactions</b>		
	IL&FS Engineering and Construction Company Limited- EPC Works	-	-
	NCC limited - Maintenance Works	2,31,515	-
	- EPC Works	-	-
	Soma Enterprise Limited - Maintenance Work	11,25,484	48,000
	- EPC Works	-	-
	NCC IHL- Coordination Fees	54,68,880	53,93,280
	Pondicherry Tindivanam Tollway Limited	-	-
6	<b>Sub Debt:</b>		
	NCC IHL	40,16,79,200	40,16,79,200
	Soma Enterprise Ltd	40,17,20,150	40,17,20,150



	IL & FS Engineering and Construction Co Ltd	25,37,06,300	25,37,06,300
7	<b>Bank Guarantees submitted on behalf of the BETL:</b>		
	IL & FS Engineering and Construction Company Limited In Punjab National Bank	13,64,00,000	9,25,00,000
	NCC Limited In Punjab National Bank	21,59,00,000	14,64,00,000
	Soma Enterprise Limited In Punjab National Bank	14,64,00,000	14,64,00,000
8	30% of the promoters equity interest pledged in favor of Punjab National Bank		

## 28. Earnings per share:

S. No	Particulars	31.03.2016 Rupees	31.03.2015 Rupees
A)	Net Profit /(Loss) as per Profit and Loss Account	(38,06,82,935)	(10,73,36,905)
B)	Weighted Average Number of Equity Shares for Basic and Diluted EPS	2,15,91,279	2,15,91,279
C)	Face Value per Share	10	10
D)	Basic EPS	(17.63)	(4.97)
E)	Diluted EPS	(17.63)	(4.97)

## 29. Employee Benefits:

Provision for Gratuity as per the actuarial assumptions is summarized below.

TABLE 1 AMOUNT RECOGNISED IN BALANCE SHEET	AS ON 31 <sup>ST</sup> MARCH 2016	AS ON 31 <sup>ST</sup> MARCH 2015
Present Value of Funded Obligations	26,62,000	17,84,000
Fair Value of Plan Assets	NIL	NIL
Present Value of Unfunded Obligations	NIL	NIL
Unrecognized Past Service Cost	NIL	NIL
Net Liability	26,62,000	17,84,000
Amounts in Balance Sheet		
Liabilities	26,62,000	17,84,000
Assets	NIL	NIL
Net Liability	26,62,000	17,84,000

TABLE 2 AMOUNT RECOGNISED IN BALANCE SHEET	AS ON 31 <sup>ST</sup> MARCH 2016	AS ON 31 <sup>ST</sup> MARCH 2015
Current Service Cost	26,62,000	17,84,000
Interest on Defined Benefit Obligation		NIL
Expected Return on Plan Assets	NIL	NIL
Net Actuarial Losses / (Gains) Recognized during the period	26,62,000	17,84,000
Past Service Cost	NIL	NIL
Losses / (Gains) on "Curtailment & Settlements"	NIL	NIL
Total	26,62,000	17,84,000
Actual Return on Plan Assets	NIL	NIL

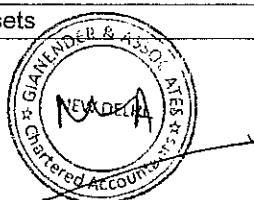




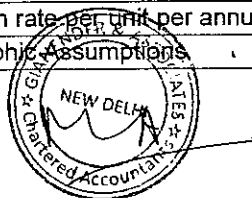
TABLE 3 SUMMARY OF ACTUARIAL ASSUMPTIONS			AS ON 31 <sup>ST</sup> MARCH 2016	AS ON 31 <sup>ST</sup> MARCH 2015
<b>A</b>	<b>Principal rules to compute Benefit Obligations</b>			
	1	Salary reckoned for calculating Benefit Obligations	As per rule of Company	As per rule of Company
	2	Vesting Period	5 Years for Gratuity	5 Years for Gratuity
	3	Benefit formula for Gratuity for all the exits except death	AI x Completed year of service x 15/26 subject to benefit having vested	AI x Completed year of service x 15/26 subject to benefit having vested
	4	Benefit formula for Gratuity on Death	Same as A 3 but no vesting condition	Same as A 3 but no vesting condition
<b>B</b>	<b>Mean Financial Assumptions</b>			
	1	Interest Rate for discount per unit per annum	8 %	8 %
	2	Salary Escalation rate per unit per annum	5%	5%
	3	Expected rate of return on Plan Assets per unit per annum	N.A.	N.A.

Provision for Leave Encashment as per the actuarial assumptions is summarized below:-

TABLE 1 AMOUNT RECOGNISED IN BALANCE SHEET	AS ON 31 <sup>ST</sup> MARCH 2016	AS ON 31 <sup>ST</sup> MARCH 2015
Present Value of Funded Obligations	7,98,000	5,40,000
Fair Value of Plan Assets	NIL	NIL
Present Value of Unfunded Obligations	NIL	NIL
Unrecognized Past Service Cost	NIL	NIL
Net Liability	7,98,000	5,40,000
Amounts in Balance Sheet		
Liabilities	7,98,000	5,40,000
Assets	NIL	NIL
Net Liability	7,98,000	5,40,000

TABLE 2 AMOUNT RECOGNISED IN BALANCE SHEET	AS ON 31 <sup>ST</sup> MARCH 2016	AS ON 31 <sup>ST</sup> MARCH 2015
Current Service Cost	7,98,000	5,40,000
Interest on Defined Benefit Obligation	NIL	NIL
Expected Return on Plan Assets	NIL	NIL
Net Actuarial Losses / (Gains) Recognized during the period	7,98,000	5,40,000
Past Service Cost	NIL	NIL
Losses / (Gains) on "Curtailment & Settlements"	NIL	NIL
Total	7,98,000	5,40,000
Actual Return on Plan Assets	NIL	NIL

TABLE 3 SUMMARY OF ACTUARIAL ASSUMPTIONS			
	Summary of Staff data	AS ON 31 <sup>ST</sup> MARCH 2016	AS ON 31 <sup>ST</sup> MARCH 2015
1	No. of Employees	149	150
2	Projected Actuarial value of benefit obligations	Rs,7,98,000/-	Rs,5,40,000/-
	<b>Mean Financial Assumptions</b>		
1	Interest rate for discount per unit per annum	8%	8%
2	Salary escalation rate per unit per annum	5%	5%
	Mean Demographic Assumptions		



**Note: 30 Foreign Currency Transactions:**

- a. CIF value of imports: Nil (Previous year : Nil)  
b. Expenditure in foreign currency : Nil (Previous year: Nil)  
c. Earning in foreign currency: Nil (Previous year Nil)

**Note :31** Based on review of future discounted cash flows, the recoverable amount of the project facility is more than its carrying amount. Accordingly no provision for impairment of assets is provided.

**Note:32** During the year company doesn't have the employees who are in receipt of the salary more than 5,00,000/- p.m or 60,00,000/- p.a.

**Note:33 Contingent Liabilities:**

A. Claims against the Company not acknowledged as debt: Rs 10,00,28,010/- Damages recommended by IC under clause 18.13 of Concession Agreement as per letter dated 12<sup>th</sup> April 2016. (Previous Year Nil)

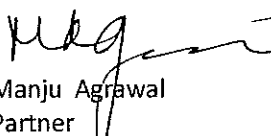
B. Arrears of dividend @ 9% cumulative, redeemable, convertible preference shares, which was not provided in the books of accounts

For the Financial Year 2015-16	: Rs 1,16,47,665/-
For the Financial Year 2014-15	: Rs 1,16,47,665/-
For the Financial Year 2013-14	: Rs 1,16,47,665/-
For the Financial Year 2012-13	: Rs. 1,16,47,665/-
For the Financial Year 2011-12	: Rs. 1,42,49,452/-
For the Financial Year 2010-11	: Rs. 1,31,96,628/-
For the Financial Year 2009-10	: Rs. 37,28,219/-

**Note: 34** During the year the Company has been converted into Private Limited Company.


**Note :35** Figures for the previous period have been regrouped/reclassification wherever necessary.

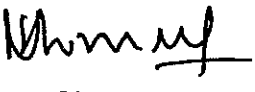
For Gianender & Associates  
Chartered Accountants  
Firm Regn No: 04661N

  
Manju Agrawal  
Partner  
Membership No. 083878  
Place:  
Date 28-04-2016



For And on behalf of the Board of Directors

  
Director  
ALLURI RAGHUNARMA  
DIN: 01033094

  
Director  
MAGANTI MOHAN DAS  
DIN: 00473671