



INDEPENDENT AUDITOR'S REPORT

To

The Members of Rohtak Hissar Tollway Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Rohtak Hissar 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 cashflows 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.

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" 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 does not have any pending litigations which would impact its financial position.
 - 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.

Place: New Delhi
Date : April 21, 2016

For H. K. Chaudhry & Co.
Chartered Accountants
Firm's Registration No 06154N

Monish Baweja

(Monish Baweja)
Partner
Membership No. 087384



Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the **Rohtak- Hissar Tollway Private Limited** on the financial statements for the year ended 31st March 2016, we report that:

- (i) The Company did not have any completed assets during the year, as it is in the process of developing road project. Hence, the reporting requirements of paragraph 3(i) of the Order is not applicable. However, the company is maintaining proper records showing full particulars of the expenditure incurred on the development of the said road project.
- (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, service tax, custom duty, excise duty, value added tax and other material statutory dues as applicable have been regularly deposited during the year by the Company with the appropriate authorities except that there was some delay on few occasions in depositing tax deducted at source.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, custom duty, excise duty, value added tax and other 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, service tax, duty of customs, duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of 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) during the year . Based on our audit procedures and according to the information and explanations given to us the term loans raised during the year have been prima facie applied for the purposes for which they were raised.
- (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 be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place : New Delhi
Date : April 21, 2016

For H.K.Chaudhry & Co.
Chartered Accountants
Firm's Registration No. 016154N

Monish Baweja

(Monish Baweja)
Partner
Membership No. 087384



H.K.Chaudhry & Co.

Chartered Accountants

**Annexure 'B' to the Independent Auditor's Report of Even Date on The Financial Statements Of
ROHTAK-HISSAR 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 Rohtak Hissar 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 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 our audit opinion on the Company's internal financial controls system over financial reporting.



H.K.Chaudhry & Co.

Chartered Accountants

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 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.

For H. K. Chaudhry & Co.
Chartered Accountants
ICAI Firm Registration No.06154N

Monish Baweja

(Monish Baweja)
Partner
Membership No.087384

Place: New Delhi
Date: April 21 2016



Rohtak-Hissar 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	107.68	107.68
Reserves and surplus	3	1,738.56	642.15
		1,846.24	749.83
(2) Non-Current Liabilities			
Long Term Borrowings	4	9,642.82	5,408.12
(3) Current liabilities			
Short Term Borrowings	5	287.92	-
Other Current Liabilities	6	362.19	364.61
Total		12,139.17	6,522.56
II Assets			
(1) Non-current assets			
Fixed Assets- Intangible Asset under Development	7	11,815.82	5,134.42
Non-Current Investments	8	1.24	1.24
Long-Term Loans and Advances	9	26.87	828.24
		11,843.93	5,963.90
(2) Current assets			
Current Investments	10	16.58	-
Cash and Cash Equivalents	11	159.91	558.66
Other Current Assets	12	118.75	-
		295.24	558.66
Total		12,139.17	6,522.56
Significant Accounting Policies	1		

Accompanying notes are an integral part of the Financial Statements

As per our report of even date

For H.K. Chaudhry & Co.
Chartered Accountants
Firm Registration Number:06154N

Monish Baweja

(Monish Baweja)
Partner
Membership No. - 087384

Place : New Delhi
Date : 21/04/2016

For & on behalf of the Board of Directors of
Rohtak-Hissar Tollway Private Limited

Vishnubhai M. Patel
(Vishnubhai M. Patel)
Director
DIN: 00048287

Place : Ahmedabad
Date : 21/04/2016

Atul Ruparel
(Atul Ruparel)
Director
DIN: 00485470



Rohtak-Hissar 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
Finance Costs			
Interest on Late Payment of Statutory Dues		0.49	0.23
Other Expenses			
Penalty Expenses		0.01	
Filing Expenses		0.01	
Write off Expenses			0.02
Donation		-	0.02
Total Expenses		0.51	0.27
(Loss) for the Year		(0.51)	(0.27)
(Loss) per equity share of ₹10/- Each	14		
(1) Basic		(0.05)	(0.03)
(2) Diluted		(0.05)	(0.03)
Significant Accounting Policies	1		

Accompanying notes are an integral part of the Financial Statements

As per our report of even date

For H.K. Chaudhry & Co.
Chartered Accountants
Firm Registration Number:06154N

Monish Baweja

(Monish Baweja)
Partner
Membership No. - 087384

Place : New Delhi
Date : 21/04/2016

For & on behalf of the Board of Directors of
Rohtak-Hissar Tollway Private Limited

Vishnubhai M. Patel

(Vishnubhai M. Patel)
Director
DIN: 00048287

Place : Ahmedabad
Date : 21/04/2016

Atul Ruparel

(Atul Ruparel)
Director
DIN: 00485470



Rohtak-Hissar 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 tax as per Statement of Profit and Loss	(0.51)	(0.27)
Net cash (used in) operating activities (A)	(0.51)	(0.27)
(B) Cash Flows from investing activities		
Road Development Expenditure(including Capital Advances)	(5,097.66)	(3,597.18)
Addition in expenditure (excluding Finance cost) during construction period, pending allocation (Net of Income earned)	(11.27)	(15.22)
Investments in Mutual Fund (Net)	(16.58)	-
Increase/ (Decrease) in other current liabilities	(2.41)	247.55
(Increase)/Decrease in other Current Assets	(13.76)	
(Increase) in Loans and Advances	(13.94)	(12.93)
Net cash (used in) investing activities (B)	(5,155.62)	(3,377.78)
(C) Cash Flows from financing activities		
Grant Received during the year	991.92	643.70
Proceeds from long term borrowings from Banks	4,210.70	2,829.00
Sub-ordinate debt from Promoters	24.00	729.33
Sub-ordinate debt repaid to Promoters	-	(195.33)
SIPL (Promoter) Contribution in Lieu of NHAI Grant - Received	1,021.40	-
SIPL (Promoter) Contribution in Lieu of NHAI Grant - Repaid	(733.48)	-
Unsecured loan taken from Holding Company	9.80	31.70
Unsecured loan repaid to Holding Company	(9.80)	(31.70)
Finance costs (including amount capitalised)	(757.16)	(309.67)
Net cash generated from financing activities (C)	4,757.38	3,697.03
Net Increase in cash and cash equivalents (A + B + C)	(398.75)	318.98
Cash and cash equivalents at beginning of the year	558.66	239.68
Cash and cash equivalents at end of the year	159.91	558.66

Rohtak-Hissar Tollway Private Limited
Cash Flow Statement for the year ended March 31, 2016

Notes:

(₹ in Million)

(i) Components of cash and cash equivalents	As at March 31, 2016	As at March 31, 2015
Cash on hand	0.01	0.01
Balances with banks in current accounts	159.90	558.65
Cash and cash equivalents (Refer Note 11)	159.91	558.66

(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 H.K. Chaudhry & Co.
Chartered Accountants
Firm Registration Number:06154N

Monish Baweja
(Monish Baweja)

Partner
Membership No. - 087384

Place : New Delhi
Date : 21/04/2016



For & on behalf of the Board of Directors of
Rohtak-Hissar Tollway Private Limited

Vishnubhai M. Patel
(Vishnubhai M. Patel)
Director
DIN: 00048287

Place : Ahmedabad
Date : 21/04/2016

Atul Ruparel
(Atul Ruparel)
Director
DIN: 00485470



Rohtak-Hissar Tollway Private Limited

Notes on accounts forming part of Financial Statements

Overview of the Company :

Rohtak-Hissar Tollway Private Limited ("the Company") was incorporated as a Special Purpose Vehicle (SPV) in April, 2013, for the purpose of Four Laning of existing road from Km 87.000 to Km 170.000 of the Rohtak Hissar Section of National Highway No. 10 including connecting link from Km 87.000 (NH-10) to Km 348.000 (NH-71) in the state of Haryana on Design, Build, Finance, Operate and Transfer (DBFOT) (Toll) basis. The Company has entered into Concession Agreement with National Highways Authority of India (NHAI) with a Concession Period of 22 years commencing from December 26, 2013 (Appointed date). The Concession period includes 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 Indian GAAP requires management to make estimates, judgments and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

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. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

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.
- (iii) Other incidental expenditure during the construction period which is not related to construction or incidental thereto is charged to statement of Profit & Loss.



Rohtak-Hissar Tollway Private Limited

Notes on accounts forming part of Financial Statements

1.5 Impairment of Assets:

- (i) The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets net selling price and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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 the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.
- (ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

1.6 Revenue Recognition :

- (i) 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.
- (ii) Gain / Loss on Sale of Units of Mutual Fund and Dividend income:
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:
Interest on deposits, investments and loans given is recognized on a time proportion basis taking into account the amounts invested and the rate applicable.

1.7 Grant:

Grant received from National Highways Authority of India is in the nature of promoters' contribution. Hence treated as capital receipt and is accounted as Capital Reserve.

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) On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.



Rohtak-Hissar Tollway Private Limited

Notes on accounts forming part of Financial Statements

- (iii) Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the 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 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 statement of the Profit and Loss on a straight-line basis over the lease term.

1.11 Earnings Per Share:

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

1.12 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.

Deferred Tax Assets and Deferred Tax Liabilities are reviewed for appropriateness of their respective carrying values at each balance sheet date.

1.13 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.



Rohtak-Hissar Tollway Private Limited

Notes on accounts forming part of Financial Statements

- (ii) Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

1.14 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.

1.15 General

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



Rohtak-Hissar 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 March 31, 2016	As at March 31, 2015
Authorised		
11,000,000 Equity Shares of ₹ 10/- each	110.00	110.00
Total	110.00	110.00
Issued , Subscribed and Paid Up		
10,768,000 Equity Shares of ₹ 10/- each	107.68	107.68
Total	107.68	107.68

(ii) 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 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.
- (iii) Out of issued, subscribed and paid up equity capital 10,767,900 shares (P.Y 10,767,900 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.
- (iv) The details of shareholders holding more than 5% of issued equity share capital as on 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)	10,767,900	100%	10,767,900	100%
Sadhav Engineering Limited	100	0%	100	0%
Total	10,768,000	100%	10,768,000	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.



Rohtak-Hissar Tollway Private Limited

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)		
Opening Balance	643.70	-
Add: Additions during the Year	1,096.92	643.70
Balance as at the end of the Year	1,740.62	643.70
Surplus/(Deficit)		
(Deficit) at the beginning of the Year	(1.55)	(1.28)
Add: Net Profit/ (Loss) after tax transferred from Statement of Profit and Loss	(0.51)	(0.27)
(Deficit) as at end of the Year	(2.06)	(1.55)
Total	1,738.56	642.15

- (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 ₹ 2,115.00 Million and shall be disbursed by NHAI as equity support towards the project. The said equity support will become due and payable to the Company after it has infused the equity and shall be disbursed proportionately along with the term loans thereafter remaining to be disbursed by the lenders under financing agreements. As of March 31, 2016, the Company has infused full equity in the form of Equity Share Capital and Sub-ordinate debt and has drawn ₹ 8,649.70 Million from lenders under the financing agreements. Accordingly, the Company has received grant of ₹ 1,635.63 Million from NHAI out of Outright grant of ₹ 2115.00 Million. Further the Grant for ₹ 104.99 Million is due and the company has started the procedure to get the receipt of the same in due course of time. However the same has been accounted for in these financial statements.

4 Long Term Borrowings

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
Secured :		
Term Loans from Banks	8,649.70	4,439.00
Unsecured :		
Loans from Promoters (Refer Note 16)	993.12	969.12
(Sub-Ordinate Debt from Promoters, in terms of Common Loan Agreement)		
Total	9,642.82	5,408.12

(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;



Rohtak-Hissar Tollway Private Limited

Notes on accounts forming part of Financial Statements

- 3 first charge over all 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;
 - all the right, title, interest, benefits, claims and demands whatsoever of the Company under all Insurance Contracts.
 - 6 pledge of equity shares held by Promoters upto 51% (fifty one percent) of the paid up and voting equity share capital of the Company for a period up to 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).

(ii) 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 Scheduled Commercial Operations Date (SCOD) occurs.
Term loans carry interest rate of 11.70 per cent per annum.
- (b) Subordinate debt from Promoters:
 - Subordinate debt from Promoters is repayable after the Term Loans to be availed under the Common 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 March 31, 2016	As at March 31, 2015
SIPL (Promoter) Contribution in Lieu of NHAI Grant	287.92	-
Total	287.92	-



Rohtak-Hissar Tollway Private Limited

Notes on accounts forming part of Financial Statements

As on 31.03.2016, Sadbhav Infrastructure Project Limited (SIPL) has given a loan in lieu of grant receivable from National Highways Authority of India (NHAI). The said loan has been infused to facilitate the disbursement from the lenders in due course and to avoid the delay in disbursement process.

6 Other Current Liabilities

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
Interest Accrued And Due	0.56	-
Payable towards Capital Expenditure (Refer Note 16)	286.47	301.30
Statutory dues	73.00	60.76
Others**	2.16	2.55
Total	362.19	364.61

** 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.

7 Fixed Assets- Intangible Asset under Development

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
7.1 Road Development Expenditure		
Opening balance as at the beginning of the Year	4,591.33	729.45
Add: Expenditure incurred during the Year	5,912.96	3,861.88
Closing Balance as at end of the Year	10,504.29	4,591.33
7.2 Expenditure during construction Year (Pending Incidental Expenditure Pending Capitalisation)		
Opening balance as at the beginning of the year	543.09	218.22
Add: Expenditure incurred during the Year		
(a) Finance Costs:		
Interest on:		
- Term Loans from Banks (including LC Charges)	755.64	302.89
- Unsecured Loan from Holding Company	0.11	0.28
Other Borrowing costs:		
- Processing and Upfront Fees	0.19	4.83
- Bank Charges and other charges	1.21	1.67
Less: Interest on Fixed Deposits	(1.12)	(0.58)
Less: Gain/ Loss on MF Investments	(3.41)	-
	1,295.71	527.31
(b) Other Expenses:		
Rent	1.03	1.01
Stamp duty and Filing Fees	-	0.03
Legal and Professional Fees	14.35	14.36
Auditor's Remuneration		
- Statutory Audit	0.11	0.04
- Tax Audit	0.04	-
- Certification Fees	0.15	0.11
	0.30	0.15
Travelling and Conveyance	0.13	0.21
Miscellaneous expenses	0.01	0.01
	15.82	15.78
Closing Balance as at end of the year	1,311.53	543.09
Grand Total (7.1 + 7.2)	11,815.82	5,134.42



Rohtak-Hissar 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	1.24	1.24
Total	1.24	1.24

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 16)	-	815.30
Tax Credit Receivable	26.87	12.93
Total	26.87	828.23

10 Current Investments

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
Investment in Units of Mutual Funds - Unquoted (At Lower of Cost or NAV)		
SBI Savings Fund -Regular Plan -Growth (Current Unit No. - 7,08,767.633, P.Y. NIL)	16.58	-
Total	16.58	-

11 Cash and Cash Equivalents

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
Balance with Banks in Current accounts	159.90	558.65
Cash on hand	0.01	0.01
Total	159.91	558.66

12 Other Current Assets

(₹ in Million)

Particulars	As at March 31, 2016	As at March 31, 2015
Grant Receivable from NHAI (Refer Note 3(i))	104.99	-
Tax Credit Receivable (FY 2014-15)	12.93	
Bank Interest (Collectibles)	0.83	
Total	118.75	-



Rohtak-Hissar Tollway Private Limited

Notes on accounts forming part of Financial Statements

12 Capital Commitments towards Development of Project Road :

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 295.71 Million (P.Y ₹ 5,380.44 Million), net of Mobilisation and Material Advances of ₹ Nil (₹ 828.23 Million).

13 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.

14 Earning Per Share (EPS) :

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	(0.51)	(0.27)
Weighted average of number of equity shares outstanding during the year	in Nos.	10,768,000	10,768,000
Basic & Diluted (Loss) per share of face value of ₹10/ each	₹	(0.05)	(0.03)

15 Segment Reporting:

The Company is engaged in one reportable segment viz infrastructure development. Therefore disclosures as per Accounting Standard (AS) – 17 "Segment Reporting" are not given. Further, the Company is carrying its business only in one geographical segment.

16 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
Holding Company	Sadbhav Infrastructure Project Limited (SIPL)
Ultimate Holding Company	Sadbhav Engineering Limited (SEL)

(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 taken		
	- SIPL	24.00	645.99
	- SEL	-	83.35
(ii)	Sub Ordinate Debt Repaid		
	- SEL	-	195.33



Rohtak-Hissar 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
(iii)	Unsecured Loan received		
	- SIPL	9.80	31.70
(iv)	Interest on Unsecured Loan (Gross Amount)		
	- SIPL	0.12	0.28
(v)	Unsecured Loan repaid Including Interest		
	- SIPL	9.92	31.98
(vi)	Mobilisation and Material advance given		
	- SEL	-	100.00
(vii)	Performance of EPC Contract- Road Development Work		
	- SEL	5,912.96	3,861.88
(viii)	Mobilisation Advance Recovered		
	- SEL	715.30	364.70
(ix)	Material Advance Recovered		
	- SEL	100.00	-
(x)	Rent		
	- SEL	1.03	1.01
(xi)	Re-imbursement of Expenses		
	- SIPL	9.59	9.36
	- SEL	-	11.99
(xii)	Loan in Lieu of NHAI Grant		
	- SIPL - Received	1,021.40	-
	- SIPL - Repaid	733.48	-

(c) Balance outstanding as at year end :

(₹ in Million)

Sr. No.	Particulars	As at March 31, 2016	As at March 31, 2015
(i)	Share Capital		
	- SIPL	107.68	107.68
	- SEL	*	*
(ii)	Sub Ordinate Debt		
	- SIPL	993.12	969.12
(iii)	Loan In Lieu of NHAI Grant		
	- SIPL	287.92	-
(iv)	Mobilisation and Material advance given		
	- SEL	-	815.30
(v)	Payable towards Road Development Work (including retention money)		
	- SEL	286.47	301.30
(vi)	Payable towards Rent and Reimbursement of Expenses		
	- SIPL	-	0.07
	- SEL	0.16	-

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

17 Operating Leases:

Office premises of the Company is obtained on operating lease. The lease rent paid during the year ended March 31, 2016 is ₹ 1.03 Million (P.Y ₹ 1.01 Million).



Rohtak-Hissar Tollway Private Limited

Notes on accounts forming part of Financial Statements

18 Deferred Tax Asset (net)

In accordance with Accounting Standard 22 "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India, the Company has Deferred Tax Asset of ₹ 0.15 Million (P.Y. 0.01 Million), however, though the Company has incurred losses in the current year, it is not virtually certain that they will be adjusted against future taxable profits and as a matter of prudence deferred tax asset has not been recognized.

19 Current Tax

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

20 Previous Year Figures

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

As per our report of even date

For H.K. Chaudhry & Co.
Chartered Accountants
Firm Registration Number:06154N

Monish Baweja

(Monish Baweja)
Partner
Membership No. - 087384

Place : New Delhi
Date : 21/04/2016



For & on behalf of the Board of Directors of
Rohtak-Hissar Tollway Private Limited

V. e.
(Vishnubhai M. Patel)
Director
DIN: 00048287

Place : Ahmedabad
Date : 21/04/2016

Atul N. Ruparel
(Atul Ruparel)
Director
DIN: 00485470

