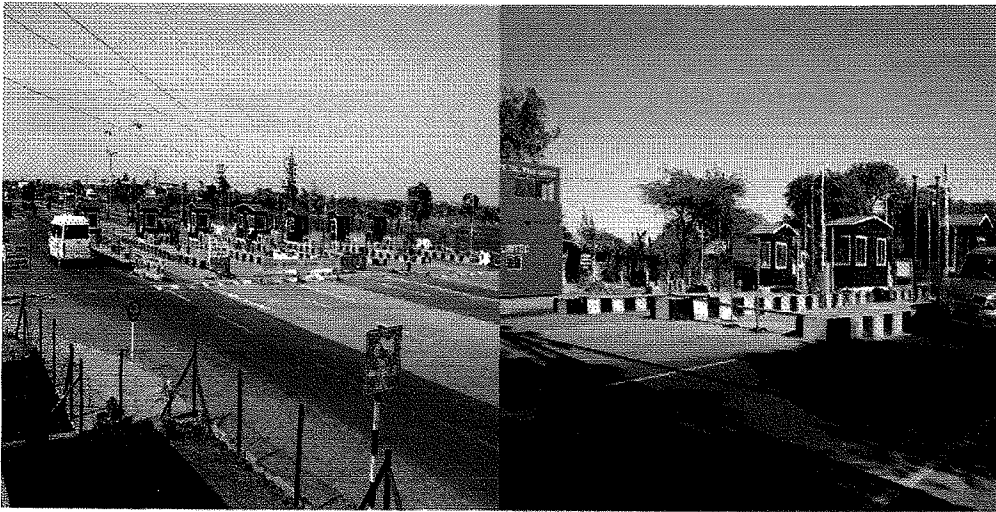




# Indore Dewas Tollways Ltd

## 5th Annual Report 2014-15



**"Infrastructure is the life line of an economy and we add our bit to it"**

## BOARDS' REPORT

To  
The Members,

Your Directors have immense pleasure in presenting the 5<sup>th</sup> Annual Report of your Company and the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2015.

### 1. FINANCIAL SUMMARY:

The following table depicts the financial results of your Company for the year ending 31<sup>st</sup> March 2015:

S. No.	Particulars	For the year ended 31.03.2015 (Rs.)	For the year ended 31.03.2014 (Rs.)
1)	<b>INCOME</b>		
	Income from Operations		-
	Other Income	34,771	-
	<b>TOTAL</b>		-
2)	<b>EXPENDITURE</b>		
	Employee Benefits Expense	-	-
	Finance Costs	-	-
	Depreciation & Amortization expense	-	-
	Operations & Maintenance Expenses	-	-
	Periodic Maintenance Expenses	-	-
	Other Expenses	83,033	56,463
	<b>TOTAL</b>	83,033	56,463
3)	<b>PROFIT / (LOSS) BEFORE TAX</b>	(48,232)	(56,463)
	Provision for Taxation:		
	- Current Tax	-	
4)	<b>PROFIT / (LOSS) AFTER TAX</b>	(48,232)	(56,463)
	Less: Prior Period adjustments		-
5)	<b>PROFIT / (LOSS) AFTER PRIOR PERIOD ITEMS</b>	(48,232)	(56,463)
	Add: Balance brought forward from previous year		
6)	<b>BALANCE CARRIED TO BALANCE SHEET</b>	(48,232)	(56,463)
	Earning (Loss) per Share – Basic & Diluted	(0.96)	(1.98)

## 2. THE YEAR IN RETROSPECT

According to the Concession Agreement, the Company is collecting Toll from the Appointed date ie 1<sup>st</sup> September, 2011 from the existing 4-lane road during the construction period, and the same has been utilised towards 6-laning of the Project Highway. The temporary Toll booths are set-up along with the requisite hardware and software, to ensure smooth collection of toll from the public, however the permanant toll plaza structure would be completed during the Financial Year 2015-16.

### **Lower Toll collections and Non-payment of Additional Concession fees (Premium)**

The current year has been a very crucial year for your company. As your are already aware that due to Lower toll collections the company is unable to service the debt and interest obligations towards the lenders. The Company has collected a toll fee of Rs. 123,45,49,538/- from the Appointed date (1st Sep, 2011) till March 31st, 2015. The company has estimated/ projected the toll collections based on the traffic in anticipation of the development of the adjoining and connecting streches and the growth rates anticipated as per the planning commission report. But the actual toll collections have been substantially lower than the estimates/projections due to the below reasons and the asset has become stressed Asset. The decline in the toll collections are majorly due to the below factors:

1. The Overall Adverse Economic conditions in the Country and in the State of MP.
2. Lower industrial activity in the vicinity of the project area, resulting in lower Heavy vehicle movement.
3. The Stretch of Ghar – Dewas has been abandoned by the IVRCL. Because of which, the traffic coming from Ahmedabad has abandoned the Indore – Dewas Stretch. Consequently, the toll collections have substantially reduced – The traffic from the west is cut off consequently resulting in low toll revenues.
4. The Stretch of Gwalior – Shivpur – Dewas Highway is totally dilapidated with no maintenance, due to which the entire traffic, which normally passes through Shivapuri – Guna – Shajapur – Dewas, is now taking the alternate route resulting in reduced traffic on the Indore – Dewas Stretch. As NHAI has failed in the execution of the 2-4 laning road from Shivpuri – Dewas, which was awarded to GVK, the entire stretch of 467 Kms is in a dilapidated condition and not road-worthy for heavy vehicles. The traffic from the north is totally cut off resulting in low toll revenues.
5. At Awana Bridge (NH-3, Near GUNA) due to the middle span settlement traffic on both sides was closed ie., from Delhi to Mumbai and hence the Main traffic got diverted from our project road.
6. At NH-3 throughout the road from Guna to Dewas 40% of top surface ( Bitumen Carpet) was damaged and every 50mtrs is riddled with pot holes (1 to 2 feet) and are throughout the road up to Guna, Which has resulted in diversion of traffic away from NH-3.

7. At Makshi Railway Gate, a low height barrier has recently been installed by the Railway Authorities. Due to this barrier, heavy motor vehicles prefer to go by some other route – resulting in revenue loss.
8. Due to toll rate variation between toll A and toll B most of the vehicles are passing through Toll B. Also the heavy vehicles are getting diverting to this road thereby reducing the Toll Revenue.

Due to the above the company could not pay Additional concession fees to NHAI and has applied for the deferment of the same vide letter dt: 9<sup>th</sup> January, 2014. NHAI has approved the same vide their letter dated: 11<sup>th</sup> June, 2015, whereby the premium payable to NHAI is deferred for 11 years starting from 2013-14 (ie., November 2013 onwards) and will be reviewed after the 6<sup>th</sup> year. The premium deferred is to be paid along with the interest @11% pa compounded annually out of the cash surplus available after servicing of debt and interest obligations towards the lenders and as per the reviews mentioned above by NHAI.

The company has applied for the restructuring of the Term loan to the lenders and the same is approved by the consortium of lenders with effective date being 1<sup>st</sup> July, 2014. The rate of interest approved by all the lenders is @11% fixed upto Financial Year: 2016-17.

The Company has achieved 91.96% of Physical progress of work upto March 2015 and the company has applied to the Independent consultant vide letter dated 29th January, 2014 for the issuance of the Scheduled Provisional completion certificate from 28th February 2014. The same is expected to be issued by 30<sup>th</sup> June, 2015.

#### **Delays in Issue of PCC by NHAI:**

Post the declaration of the Appointed date by NHAI, there were delays in the execution of the project due shifting of Utilities and the delay in approvals of change of scope by NHAI which are briefly stated below.

- a) During this Financial year an entirely new change of scope works for an amount of Rs. 34.96 crs were approved by NHAI.
- b) Another Change of Scope order is yet to be issued by NHAI for shifting of the main water pipeline (which supplies drinking water to Indore) at Km 12+400, and for widening and reconstruction of box culverts at km 4+930, and so the associated works on approaches, drains, service roads etc are held up due to the above structures. The shifting of the water pipe line at Km 12+400 the Rau circle has been approved by NHAI and the same has been entrusted to The Commissioner, Indore Municipal Corporation. NHAI has remitted the supervision charges for the same and has communicated to the Indore Municipal corporation vide their letter NHAI/PIU/IND/I-D/US/2014/2063 dated: 15<sup>th</sup> Dec, 2014. Hence the New change of scope works can be executed only after the shifting of the water pipe line by the Indore Municipal Corporation.
- c) Execution of substantial works comprising of a flyover at chainage 12+400, a PUP at 4+930 and other associated miscellaneous works costing approximately Rs.12 crs (which forms part of the EPC cost of Rs. 475 crs) are on hold due to abnormal delay in decision making by NHAI as under:

(i) Flyover @12+400 Main raw water pipeline to Indore passes through the site of flyover. Indore Municipal corporation objected to construction of flyover. Various alternative solutions have been suggested by the company. However, no decision has been conveyed by NHAI so far. As a result no work on this flyover could commence so far.

(ii) PUP @4+930 Construction of this PUP has been on hold due to non – issuance of change of scope order till date for widening and reconstruction of a box culver that falls under its approach.

(iii) Associated works Associated works on approaches, drains, service roads etc are held up due to structures listed at (a) and (b) above.”

### **3. FUTURE OUTLOOK**

The Schedule Project completion date was 28th Feb 2015, but the completion of the project is delayed since there were delays on the part of NHAI is handing over of the ROW and other factors as cited above. Your company is striving to achieve the Provisional completion certificate for the project by 30th June, 2015. There is an escalation in the cost of the project under the heads of EPC Cost, Interest during construction, Preliminary and Preoperative expenditure due to the delays on the part of NHAI in the declaration of the Appointed date by 9 months, delays in shifting of Utilities, delays in approvals of change of scope works. The company is expecting the toll revenues to increase substantially in the FY: 2017-18 on account of the developments in the adjoining stretches ie., Gwalior – Shivpuri - Dewas highway & the Ghar Dewas. The company has received approval from NHAI for the deferment of Additional concession fees. The Lenders, considering the weak financial position of the company have approved the Restructuring of the Term loan whereby the loan is to be repaid from the FY: 2017-18. The company has also received sanction of Rs. 40 crs of Additional term loan from the Lenders towards escalation in projects costs especially for EPC.

### **4. EXTRACT OF ANNUAL RETURN**

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

### **5. BOARD MEETINGS**

During the year 4 Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### **6. DIRECTORS' RESPONSIBILITY STATEMENT**

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

- a. that in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- b. that such accounting policies and applied them consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### **7. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board of Directors had appointed Mr. M.V. Narasimha Rao as Additional Directors of the Company in the category of Independent Directors with effect from 3<sup>rd</sup> March, 2015 to 2<sup>nd</sup> March, 2016.

The Board of Directors had appointed Mr. Ch. Harivithal Rao as Additional Directors of the Company in the category of Independent Directors with effect from 3<sup>rd</sup> March, 2015 to 2<sup>nd</sup> March, 2019.

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

#### **8. DECLARATION BY INDEPENDENT DIRECTORS**

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

#### **9. RE-APPOINTMENTS**

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

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

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

## **11. AUDITORS REPORT**

There are no qualifications in the Auditors Report.

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

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

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

The particulars of contracts or arrangements with the related parties entered during the current Financial Year referred to in Section 188 in the Form AOC – 2 is annexed herewith as Annexure-B - Nil

## **14. TRANSFER OF AMOUNT TO RESERVES**

The Company does not propose to transfer any amount to the general reserve for the Financial Year ended 31st March, 2015.

## **15. DIVIDEND**

The Board of Directors does not recommend any dividend on the Equity Shares for the financial year ended 31st March, 2015.

## **16. MATERIAL CHANGES AND COMMITMENTS**

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

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

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

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

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

The source of income for your Company is Toll collections which are completely dependent on the traffic on the highway. There has been a significant decline in the toll collections due to the deteriorating condition of the adjoining roads to the Indore Dewas Highway as mentioned in point no 2 above. The same is expected to

be repaired/developed in the next 3 years and the traffic is expected to substantially grow from the FY: 2017-18. NHAI has approved the deferment of payment of Additional concession fees upto a period of 11 years. The company has mitigated the financial risk as the lenders have approved the restructuring of the term loan upto FY 2017-18. The immediate financial burden of interest and premium payment is shifted to the future expecting the substantially growth in toll from the Financial Year 2017-15 onwards.

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

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

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

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

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

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

During the Financial Year ending on 31<sup>st</sup> March 2015, your Company had no subsidiaries and associate Companies.

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

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

#### **22. CONSOLIDATED FINANCIAL STATEMENTS**

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

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

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



## **24. DEPOSITS**

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

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

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

## **26. STATUTORY AUDITORS**

The Company's Auditors, Gianender & Associates, Chartered Accountants, Delhi bearing ICAI Regn. No. 004661N who retire at the ensuing Annual General Meeting of the Company are eligible for reappointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed there under for reappointment as Auditors of the Company.

## **27. PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request.

## **28. VIGIL MECHANISM**

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

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

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

## **30. HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

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

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

### 31. ACKNOWLEDGEMENTS

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

**For and on behalf of the Board**



**J BRIJ MOHAN REDDY**

**Director**

**DIN: 00012927**



**T V SANDEEP KUMAR REDDY**

**Director**

**DIN: 00005573**

**Place: Hyderabad**

**Date: 20.5.2015**

**ANNEXURE-**

**Form No. AOC-2**

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

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

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

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

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

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

For and on behalf of the Board

Place: Hyderabad

Date: 20.5.2015

  
**J BRIJ MOHAN REDDY**

**Director**

**DIN: 00012927**

  
**T V SANDEEPKUMAR REDDY**

**Director**

**DIN: 00005573**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended 31.03.2015**  
**[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the**  
**Companies (Management and Administration) Rules, 2014]**

<b>I. REGISTRATION AND OTHER DETAILS:</b>	
CIN	U45200TG2010PLC068238
Registration Date	04/05/2010
Name of the Company	INDORE DEWAS TOLLWAYS LIMITED
Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non Government Company
Address of the Registered Office and contact details	6-3-1090, B-1, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana. E Mail: <a href="mailto:rajkumar@givl.co.in">rajkumar@givl.co.in</a> , Tel: 040-23310330
Whether listed company	Unlisted
Name, address and contact details of Registrar and Transfer Agent, if any	-

<b>II. Principal Business Activities of the Company</b>			
<b>All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:</b>			
Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Construction of Roads	42101	100%

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -</b>					
Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NIL					

<b>IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)</b>									
<b>i) Category-wise Share Holding</b>									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	-	10	10	0.02	-	10	10	0.02	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	49,980	49,980	99.96	-	49,980	49,980	99.96	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1):</b>	-	<b>49,990</b>	<b>49,990</b>	<b>99.98</b>	-	<b>49,990</b>	<b>49,990</b>	<b>99.98</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(2):</b>	-	<b>0</b>	<b>0</b>	<b>0</b>	-	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoters (A) = (A)(1)+(A)(2)</b>	-	<b>49,990</b>	<b>49,990</b>	<b>99.98</b>	-	<b>49,990</b>	<b>49,990</b>	<b>99.98</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
-a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	10	10	0.02	-	10	10	0.02	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(2):</b>	<b>0</b>	<b>10</b>	<b>0.02</b>	<b>-</b>	<b>0</b>	<b>10</b>	<b>10</b>	<b>0.02</b>	<b>0</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>0</b>	<b>10</b>	<b>0.02</b>	<b>-</b>	<b>0</b>	<b>10</b>	<b>10</b>	<b>0.02</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>	<b>100</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>	<b>100</b>	<b>0</b>

**ii) Shareholding of Promoters**

S. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Balaji Highways Holding Private Limited	16,660	33.32	-	16,660	33.32	-	-
2	Gayatri Projects Limited	16,660	33.32	100	16,660	33.32	100	-
3	Gayatri Infra Ventures Limited	16,660	33.32	100	16,660	33.32	100	-
4	Mr. T. V. Sandeep Kumar Reddy	5	0.01	-	5	0.01	-	-
5	Mr. J. Brij Mohan Reddy	5	0.01	-	5	0.01	-	-
<b>Total</b>		<b>49,990</b>	<b>99.98</b>	<b>-</b>	<b>49,990</b>	<b>99.98</b>		<b>-</b>

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

S. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	49990	99.98		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
	At the end of the year	49990	99.98	-	-

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	10	0.02	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	10	0.02	-	-

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	10	0.02	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	10	0.02



## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Rs. 419.93crs	Rs. 60.25 crs		Rs. 480.19 crs
ii) Interest due but not paid	Rs. 4.27 crs			Rs. 4.27 crs
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>Rs. 424.20</b>	<b>Rs. 60.25</b>		<b>Rs. 484.45</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	Rs. 64.93 crs	Rs. 10 crs		Rs. 74.93 crs
Reduction	Rs. 5.44 crs			Rs. 5.44 crs
<b>Net Change</b>	<b>Rs. 59.49 crs</b>	<b>Rs. 10 crs</b>		<b>Rs. 69.49crs</b>
Indebtedness at the end of the financial year				
i) Principal Amount	Rs. 482.93 crs	Rs. 70.25 crs		Rs. 553.18 crs
ii) Interest due but not paid	Rs. 0.76 crs			Rs. 0.76
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>Rs. 483.69</b>	<b>Rs. 70.25 crs</b>		<b>Rs. 553.94</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
1.	Gross Salary	-	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	--
4.	Commission	-	-	-
	as % of profit	-	-	-
	others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	-	-	-

### B. Remuneration to other directors:

#### 1. Independent Directors

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

**2. Other Non Executive Directors**

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

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

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

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: -N.A.-**

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

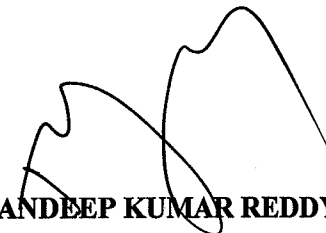
**For and on behalf of the Board**



**J. BRIJ MOHAN REDDY**

**Director**

**DIN:00012927**



**T V SANDEEP KUMAR REDDY**

**Director**

**DIN:00005573**

**Place: Hyderabad**

**Date: 20.05.2015**

# INDEPENDENT AUDITOR'S REPORT

To the members of INDORE DEWAS TOLLWAYS LIMITED,

## Report on the Financial Statements

We have audited the accompanying financial statements of **INDORE DEWAS TOLLWAYS LIMITED**, ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of 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 disclosures in the financial statements. The procedures selected depend on 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 2015 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
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, Statement of Profit and Loss and Cash Flow Statement dealt with 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 written representations received from the directors, as on 31st March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) 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:



- a. The Company does not have any pending litigations which would impact its financial position.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For GIANENDER & ASSOCIATES**

**Chartered Accountants**

Regn. No. 04661N

By the hand of



**Anshank Agrawal**

Partner

M. No. 536670

Place : New Delhi

Date : 20.5.2015

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

**Re: INDORE DEWAS TOLLWAYS LIMITED**

- i.
  - a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) Fixed assets have been physically verified by management at the end of the year which, in our opinion, is reasonable having regard to the size of the Company and nature of its asset and no serious discrepancies have been noticed on such verification.
- ii. There are no inventories as company is engaged in the business of infrastructure development and maintenance and hence Para 3 clauses (ii)(a), (ii)(b) and (ii)(c) of the Companies (Auditor's Report) Order 2015 relating to inventory are not applicable.
- iii. The Company has not granted secured / unsecured loans to parties covered in the register maintained under section 189 of the Act. Accordingly, sub-clause (a) and (b) are not applicable
- iv. In our opinion and according to the information and explanations given to us, the internal control procedures are generally adequate and commensurate with the size of the Company and the nature of its business with regard to development of intangible asset and for toll collection. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls system.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, are not applicable to the Company.
- vi. It has been represented by the company that prima facie, cost records prescribed, as per the Rules made by the Central Government for the maintenance of cost records pursuant to Section 148 of the Act, are not applicable to the company.
- vii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company is generally regular in
  - a) depositing undisputed statutory dues relating to provident fund, income tax deducted at source, service tax, value added tax and other statutory dues during the year with the appropriate authorities. We are informed that the provisions of employees' state insurance, wealth tax, duty of customs, duty of excise, cess are not applicable to the company. As per the records produced before us, there are no undisputed statutory dues which were outstanding as on 31<sup>st</sup> March 2015 for a period over six months from the date of same becoming payable.





- b According to the information and explanations given to us, there are no statutory dues pending in respect of income tax, sales tax, value added tax, service tax, duty of customs, wealth tax, duty of excise, cess on account of any dispute.
- c) According to the information and explanations given to us, no amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder.
- viii. Since the Company has been registered for a period of less than five years, paragraph (viii) of the order of the Companies (Auditor's Report) Order 2015 is not applicable to the Company.
- ix. According to the information and explanations given to us the Company has delayed in payment of interest amounting to Rs 44,169,873 due on 30<sup>th</sup> June 2014 to banks or financial institutions by 15 to 89 days. The Company has not issued any debentures.
- x. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. According to the information and explanations given to us the Company, the loans taken by the company were applied for the purpose for which the loans were obtained.
- xii. According to information and explanations given to us, which have been relied upon by us, no fraud on or by the Company has been noticed or reported during the year.

**For GIANENDER & ASSOCIATES**

**Chartered Accountants**

Regn. No. 04661N

By the hand of



**Shashank Agrawal**

**Partner**

M no: 536670

Place : New Delhi

Date : 20.5.2015



**INDORE DEWAS TOLLWAYS LIMITED**



**Balance Sheet as at 31st March' 2015**

	Notes	31st March, 2015(₹)		31st March, 2014(₹)	
<b>I. Equity and Liabilities</b>					
<b>1. Shareholders' Funds</b>					
(a) Share Capital	3	500,000		500,000	
(b) Reserves and Surplus	4	182,609	682,609	230,841	730,841
<b>2. Non-Current Liabilities</b>					
(a) Long term borrowings	5		5,532,982,471		4,801,855,334
(b) Other Long term liabilities	6		420,142,853		
(c) Long term Provisions	7		789,771		419,635
<b>3. Current Liabilities</b>					
(a) Other current Liabilities	8		33,870,049		388,464,700
(b) Short term Provisions	9		417,127		145,285
<b>Total</b>			<b>5,988,884,881</b>		<b>5,191,615,795</b>
<b>II. Assets</b>					
<b>1. Non Current Assets</b>					
(a) Fixed Assets					
(i) Tangible Assets	10.a		659,395		842,528
(ii) Intangible Assets	10.b		16,535,845		17,307,898
(iii) Intangible assets under development	10.c		5,852,948,742		5,070,711,269
(b) Non current Investments	11		3,500,000		5,500,000
(c) Long term loans and advances	12		488,897		445,897
<b>2. Current Assets</b>					
(a) Current Investments	13	500,000		3,000,000	
(b) Cash and bank balances	14	101,027,267		90,393,060	
(c) Short term loans and advances	15	8,828,848		3,415,143	
(d) Other Current assets	16	4,395,887	114,752,002	-	96,808,203
<b>Total</b>			<b>5,988,884,881</b>		<b>5,191,615,795</b>
Significant accounting policies	2				
See accompanying notes to Accounts (1-29) are an integral part of Financial Statements					

As per our report of even date attached  
For Gianender & Associates  
Chartered Accountants  
ICAI Regn No.004661N

Shashank Agrawal  
Partner  
Membership No. 536670



J. BRIJ MOHAN REDDY  
Director  
DIN 00012927

For and on behalf of the Board  
  
T.V. SANDEEP KUMAR REDDY  
Director  
DIN 00005573

Place: Hyderabad  
Date: 20.5.2015



## Statement of Profit and Loss for the year ended 31st March' 2015

	Notes	31st March, 2015(₹)	31st March, 2014(₹)
<b>1. Revenue</b>			
(a) Revenue from Operations		-	-
(b) Other Income	17	34,771	-
<b>Total Revenue</b>		<b>34,771</b>	<b>-</b>
<b>2. Expenses</b>			
(a) Employee benefit expense	18	-	-
(b) Finance Costs		-	-
(c) Depreciation and Amortisation expense		-	-
(d) Other Expenses	19	83,003	56,463
<b>Total Expenses</b>		<b>83,003</b>	<b>56,463</b>
3. Profit before exceptional and extraordinary Items		(48,232)	(56,463)
4. Exceptional Items		-	-
5. Profit before extraordinary items and tax (3-4)		(48,232)	(56,463)
6. Extraordinary Items		-	-
7. Profit before tax (5-6)		(48,232)	(56,463)
8. Tax Expenses			
(a) Current Taxes		-	-
(b) Deferred Taxes		-	-
9. Profit/(Loss) for the period from Continuing Operations (7-8)		(48,232)	(56,463)
10. Profit/(Loss) for the period from discontinuing Operations		-	-
11. Tax expenses of discontinuing Operations		-	-
12. Profit/(Loss) from discontinuing Operations after		-	-
13. Profit/(Loss) for the period (9+12)		(48,232)	(56,463)
14. Earnings per Share			
(a) Basic	25	(0.96)	(1.98)
(b) Diluted		(0.96)	(1.98)

See accompanying notes to Accounts (1-29) are an integral part of Financial Statements

As per our report of even date attached

For Gianender & Associates

Chartered Accountants

ICAI Regn No.004661N

Shashank Agrawal

Partner

Membership No. 536670

For and on behalf of the Board

J. BRIJ MOHAN REDDY

Director

DIN 00012927

T.V. SANDEEP KUMAR REDDY

Director

DIN 00005573

Place: Hyderabad

Date: 20th May, 2015





**INDORE DEWAS TOLLWAYS LIMITED**



**Cash flow statement for the Year ended 31st March' 2015**

	31st March, 2015(₹)	31st March, 2014(₹)
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit before Tax	(48,232)	(56,463)
<b>Adjustment for</b>		
Depreciation	-	-
Other Income	-	-
Finance Cost	-	-
Operating Profit before Working Capital Changes	(48,232)	(56,463)
Working Capital Changes	(34,384,603)	-
Income Taxes Paid	-	-
<b>Net Cash from Operating Activities</b>	<b>(34,432,835)</b>	<b>(56,463)</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of fixed assets	(35,006)	(144,418)
Movement in Capital Work in Progress	(276,957,127)	(1,169,320,515)
Proceeds from interest on Income Tax Refund	-	-
Proceeds from Dividend Income from mutual funds	1,247,944	871,025
Proceeds from interest on fixed deposits	57,049	-
Increase/(decrease) in other long term liabilities	420,512,989	(22,169,143)
Increase/(decrease) in other current liabilities	(354,322,809)	183,591,637
Decrease/(increase) in long term loans and advances	(43,000)	-
Decrease/(increase) in other current assets	-	-
Decrease/(increase) in short term loans and advances	(9,809,592)	(1,196,131)
Investment in mutual funds	4,500,000	(6,509,040)
<b>Net Cash used in Investing activities</b>	<b>(214,849,551)</b>	<b>(1,014,876,585)</b>
<b>C. Cash Flow from Financing Activities:</b>		
Proceeds from issue of Shares	-	-
Proceeds from secured long term Borrowings from banks promoters	631,127,137	1,253,643,325
	100,000,000	189,500,000
Interest and finance charges Paid	(505,595,147)	(389,667,133)
<b>Net Cash from Financing activities</b>	<b>225,531,990</b>	<b>1,053,476,192</b>
<b>Net change in Cash and Cash Equivalents (A+B+C)</b>	<b>(23,750,395)</b>	<b>38,543,144</b>
Cash and cash equivalents as at Apr 01, 2014	90,393,060	51,849,915
Cash and cash equivalents as at 31st March' 2015	66,642,664	90,393,060
<b>Net cash flow</b>	<b>(23,750,395)</b>	<b>38,543,144</b>
<b>Components of Cash and Cash equivalents (Note 11)</b>		
Cash on hand	1,029,002	1,032,628
Balances with Banks		
in current accounts	65,613,662	89,360,432
<b>Total Cash and Cash equivalents</b>	<b>66,642,664</b>	<b>90,393,060</b>

**Note:**

- 1) The Cash Flow Statement is prepared in accordance with the indirect Method stated in Accounting Standards 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities.
- 2) Cash and Cash Equivalents comprises of cash and bank balances.
- 3) Figures in bracket represent cash outflows.
- 4) Notes to Accounts form an integral part of Financial Statements.

As per our report of even date attached

For Gianender & Associates  
Chartered Accountants  
ICAI Regn No.004661N

Shashank Agrawal

Partner

Membership No. 53667

Place :Hyderabad

Date : 20.5.2015

J. BRIJ MOHAN REDDY

Director

Membership No. 00012927

For and on behalf of the Board

T.V. SANDEEP KUMAR REDDY

Director

DIN 00005573



**Notes to Financials Statements for the Year ended 31st March' 2015****1) Corporate Information:**

M/s Indore Dewas Tollways Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956.

The company is a Special Purpose Vehicle (SPV) for execution of the project " Six Laning of Indore-Dewas section of NH 3 from KM 577.550 to KM 610.00 and KM 0.000 to KM 12.600 (Approx. length 45.05 KM) in the state of Madhya Pradesh under NHDP Phase-V to be executed as BOT (Toll) project on Design, Build, Finance, Operate and Transfer "DBFOT" pattern. The company has entered into a Concession Agreement with National Highways Authority of India, which specifies a two and half year of construction period and twenty two and half years of operation & maintenance period. The company has applied to the Independent consultant vide letter dated 29th January, 2014 for the issuance of the Provisional completion certificate from date 28th February 2014. However the PCC is expected to be received by 30th June, 2015.

**2) 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 (ICAI) 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 GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

**2.1) Significant Accounting policies****a) Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.



## b) Fixed Assets & Depreciation

### I. Tangible:

Fixed assets are stated at cost of acquisition, less accumulated depreciation thereon. For this purpose, cost includes purchase price and all other attributable costs of bringing the assets to working condition for intended use. Assessment of indication of impairment of an asset is made at the end of year and impairment loss, if any is recognized. Depreciation on assets has been provided on straight-line basis in the manner specified in Schedule II to the Companies Act, 2013. However, assets with a net carrying value of less than Rs.5,000/- as on 01 April 2014 have been depreciated @ 100% during the F.Y. 2014-15, as the useful life of the asset in the opinion of the management, has expired. Where the remaining useful life of an asset is Nil as on 01 April 2014, the carrying amount of such asset as on that date has been adjusted against opening balance of reserves and surplus, in accordance with Schedule II to the Companies Act, 2013.

Depreciation on assets has been provided on straight-line basis at the rates specified in Schedule II to the Companies Act, 2013.

Category of Asset	Estimated useful life (in years)	
Office equipment	5	
Computers	3	
Furniture and Fixtures	10	
Vehicles	10	
Temporary Toll Plaza Building	2.5	

Depreciation on additions or deletion is calculated on pro rata basis. Items below Rs.5,000/- have been depreciated at the rate of 100%.

### II) Intangible:

Intangible assets are recognized as per the criteria specified in Accounting Standard 26 " Intangible Assets" issued by the Institute of Chartered Accountants of India and approved under the Companies Act (Rules) and are amortized as follows.

Carriageway representing Toll Collection Rights are 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 Carriageway comprises construction cost and other preoperative costs incurred during the implementation phase.

Such Carriageways on completion are capitalized as Intangible Asset and are amortized over the period of rights given under the Concession Agreement as they represent right to collect Toll revenue during the concession period.

Intangible asset such as Toll management software are amortized over the concession period ie., the best estimate of the useful life of the asset as per AS 26. (Accounting for Intangible Asset)

### III) Intangible Assets under development & Amortization

Intangible Asset under development includes direct and indirect expenditure incurred for the Highway project and costs incidental and related thereto.

Expenses incurred relating to the development of Highway project prior to commencement of commercial operations are included under Intangible Asset under development (net of income earned during project development stage) and after completion to be transferred to Intangible Asset.



Toll Collection rights represent the right to collect toll revenue during the concession period in respect of Design-Build-Finance-Operate-Transfer (DBFOT) projects undertaken by the company. The construction costs, pre operative expenditure along with the concession fee payable till the completion of the construction of additional two lanes of the project are recognized as intangible assets under development. The revenue towards collection of toll/other income during the construction of additional two lanes is reduced from the cost of Intangible assets under development. Upon completion of the construction of the additional two lanes of project, the cumulative cost of the intangible assets under development ( which includes the obligation towards additional concession fee payable to National Highways Authority of India (NHAI), net of revenue towards collection of toll/ other income during the period of construction) is capitalized as toll collection rights and recognized under Intangible assets. The amortization for each year on such toll collection rights is calculated by multiplying the same with the factor derived by dividing the Actual Revenues for the respective year by the Cumulative Projected Revenues from the Intangible asset till the end of the concession period which is in accordance with schedule II of the companies Act, 1956

### **c) Revenue Recognition:**

- (i) Fee collections from users of facility are accounted for as and when the amount is due and recovery is certain. Income from sale of smart card is recognized as and when the amount is received from the users of the cards.
- (ii) Dividend income is recognized when the right to receive is established.
- (iii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.
- (iv) Other items of income are accounted as and when the right to receive arises.

### **d) Borrowing Costs:**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying asset are capitalized as part of the cost of such asset, till such time as the assets 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 Cost", income earned on temporary investments, out of funds borrowed, which is inextricably linked with the project, is deducted from the related borrowing costs incurred.

### **e) Investments:**

Current Investments are carried at lower of cost and market value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of investment.

### **f) Earnings per Share:**

Basic and Diluted Earnings per Share (EPS) is reported in accordance with Accounting Standard (AS) - 20, "Earnings per Share", issued by the Institute of Chartered Accountants of India and specified under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014. EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year.



**Notes to Financials Statements for the Year ended 31st March' 2015****g) Employee Benefits****(i) Short Term Employee Benefits:**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages etc and the expected cost of bonus, exgratia are recognized in the period in which the employee renders the related service.

**(ii) Post Employment Benefits:**

**a. Defined Contribution Plans:** The Company's obligation to employees provident fund is a defined contribution plan. The contribution paid/payable is recognized in the period in which the employee renders the related service.

**b. Defined Benefit Plans:** The company's obligation towards gratuity is a defined benefit plan.

The present value of the obligation under such Defined Benefit Plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

**h) Provisions and Contingent Liabilities :**

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

- i) The Company has a present obligation as result of a past event;
- ii) Probable outflow of resources is expected to settle the obligation; and
- iii) The amount of the obligation can be reliably estimated.

b. 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.

c. Contingent Liability and Contingent Assets:

- i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- ii) A present obligation when no reliable estimate is possible, and
- iii) A possible obligation arising from past events where the probability of outflow of resources is not remote.

d. Contingent Assets are neither recognized, nor disclosed.

e. Provisions, Contingent Liabilities, and Contingent Assets are reviewed at each Balance Sheet date.





### **i) Claims:**

- a) Company's claims against the Concessioneing Authority for additional scope of work, utility shifting etc. are accounted for as and when received.
- b) Contractor's claims regarding additional scope of work, utility shifting etc. are admittable and accounted for when related claims of the Company are received from the Concessioneing Authority.

### **j) Taxes on Income:**

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) 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 generate 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).



**Notes to Financials Statements for the Year ended 31st March' 2015**
**3) Share Capital:**
**a) Number and amount of Shares authorized**

Particulars	31st March, 2015(₹)	31st March, 2014(₹)
	Amount (₹)	Amount (₹)
10,00,000 Equity Shares of Rs. 10 each (Previous year: 10,00,000 shares of Rs.10 each)	10,000,000	10,000,000

**b) Number and amount of equity shares issued, subscribed and fully paid up**

Particulars	31st March, 2015(₹)	31st March, 2014(₹)
	Amount (₹)	Amount (₹)
50,000 (Previous year : 50,000 shares of Rs. 10 each)'Equity shares of Rs. 10 each fully paidup	500,000	500,000

**c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

Equity Shares of Rs 10 each	31st March, 2015(₹)		31st March, 2014(₹)	
	No of Shares	Amount (₹)	No of Shares	Amount (₹)
At the beginning of the period	50,000	500,000	50,000	500,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	50,000	500,000	50,000	500,000

**d) Rights, preferences and restrictions attached to equity shares:**

The company has only one class of shares referred to as equity shares having a par value of `10 per share. Each holder of equity shares is entitled to one vote per share. The rights and preferences of each shareholder are in accordance with the Shareholders' Agreement.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. During the year ended 31st March, 2015, no dividend is declared by Board of Directors. (Previous year - Nil)

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

**e) Equity shares held by holding company and the Ultimate holding company and or their subsidiaries/ associates - Nil**
**f) Details of shareholders holding more than 5% shares in the company:**

Equity Shares of ₹ 10 each fully paid	As at March 31 2015		As at March 31, 2014	
	No of Shares	% of Holding	No of Shares	% of Holding
M/s Gayatri Infra Ventures Limited	16,660	33.32	16,660	33.32
M/s Gayatri Projects Limited	16,660	33.32	16,660	33.32
DLF Infra Holding Ltd/its Associates/Subsidiaries (M/s Balaji Highways Holding Pvt Limited)	16,660	33.32	16,660	33.32



#### 4) Reserves and Surplus:

4.a) Surplus/(deficit) in the statement of profit and loss:	31st March, 2015(₹)	31st March, 2014(₹)
Opening Balance	230,841	287,304
Add: Profit/(Loss) for the year	(48,232)	(56,463)
Net Surplus in the statement of Profit and Loss	182,609	230,841
<b>Total of Reserves and Surplus</b>	<b>182,609</b>	<b>230,841</b>

#### 5) Long Term Borrowings:

Particulars	Non Current Portion		Current Maturities (see note below)	
	March 31, 2015(₹)	March 31, 2014(₹)	March 31, 2015(₹)	March 31, 2014(₹)
<b>a) Term Loans (Secured)</b>				
Union Bank of India	1,500,000,000	1,384,853,334		
Punjab National Bank	1,497,037,000	1,418,152,000		
State Bank of Hyderabad	499,373,592	473,084,000		
<b>Total</b>	<b>3,496,410,592</b>	<b>3,276,089,334</b>		
Funded Interest Term Loan - UBI	126,074,287			
Funded Interest Term Loan - PNB	94,914,780			
Funded Interest Term Loan - SBH	30,507,470			
<b>Total</b>	<b>251,496,537</b>	<b>-</b>		
<b>from Others</b>				<b>-</b>
IIFCL	1,000,000,000	923,266,000		
Funded Interest Term Loan - IIFCL	82,575,342			
	1,082,575,342	923,266,000		
<b>Total Secured Loans</b>	<b>4,830,482,471</b>	<b>4,199,355,334</b>	<b>-</b>	<b>-</b>

Particulars	Non Current Portion		Current Maturities (see note below)	
	March 31, 2015(₹)	March 31, 2014(₹)	March 31, 2015(₹)	March 31, 2014(₹)
<b>b) Zero percent interest loan (Unsecured)</b>				
Zero-Interest Subordinate Loan - GIVL A/c	363,000,000	363,000,000		
Zero Interest Subordinate Loan - GPL A/c	339,500,000	239,500,000		
<b>Total Unsecured Loans</b>	<b>702,500,000</b>	<b>602,500,000</b>		<b>-</b>
<b>Total Long term borrowings (a+b)</b>	<b>5,532,982,471</b>	<b>4,801,855,334</b>	<b>-</b>	<b>-</b>



**Notes to Financials Statements for the Year ended 31st March' 2015**

**Note:** During the year the company has applied to NHAI for the deferment of premium payable to NHAI, and NHAI has in turn approved the proposal for the deferment of premium payable to them. Based on the approval received from NHAI the company has applied to the consortium of lenders for restructuring of the term loan. The Consortium of Lenders have approved the restructuring package with the cutoff date being 1st July, 2014 with a interest and principal repayment Moratorium of 2.9 Years. Hence there are no current maturities with respect to the Term loan principal repayment.

**c) Terms of the Restructuring Package:**

- 1) The Restructuring package is approved with a cut off date of July 01, 2014.
- 2) Reduction in interest rates on all Term Loan facilities (TL -I Rs. 450 Crs, FITL Rs. 136.13 Crs & TL -II Rs. 40 Crs) to 11% fixed p.a. upto FY: 2017-18, which is to be linked to the Base Rate of the Lead Lender.
- 3) The interest on Term Loan for 11 quarters from cut-off date (July 1, 2014) to March 31, 2017 is to be funded by FITL (Rs.136.13 Crs).
- 4) Moratorium of 2 years 9 months for the repayment of TL - I & FITL.

**d) Security for Term Loans:****Term Loans from lenders are secured by****Security to be created on behalf of lenders by first charge on:**

- (i) All monies including Toll collected on the Project Highway to the credit of the Escrow Account as per the provisions of the Concession Agreement.
- (ii) All the Borrower's properties and assets excluding the Project Assets.
- (iii) All Tangable Assets of the Company not limited to goodwill, undertaking and uncalled capital of the company.
- (iv) Pledge of shares aggregating to 51% of the paid-up equity capital of the Borrower, Provided that any enforcement of the pledge over shares shall be subject to prior approval of NHAI as provided in the Concession Agreement.
- (v) A first charge by way of assignment or creation on Security Interest on:
  - a) All rights, title, interest, benefits, claims and demands of IDTL under project documents subject to the provisions of the Concession Agreement.
  - b) Assignment of rights in favour of the lenders in accordance with the substitution agreement in respect of financing by the senior lenders under the financing documents for the project.
  - c) Lenders to be named as loss payees in the insurance policies.

**e) Terms of Repayment of Term Loan from Lenders**

- a. The tenor of the repayment of the TL - I for Rs. 450 crs shall be for a period of 12 years (twelve) years excluding 2.9 years of moratorium with 48 structured unequal quarterly Instalments ranging from Rs. 5 lacs to Rs. 78.66 crs per annum as per the approved restructuring package.
- b. The tenor of the repayment of FITL for Rs 136 crs shall be for a period of 8 years years excluding 2.9 years of moratorium with 28 structured unequal quarterly instalments ranging from Rs. 1 crs to Rs. 38.80 crs per annum as per the approved restructuring package.
- c. The tenor of the repayment of Additional Term Loan - II for Rs. 40 crs shall be for 20 monthly Instalments starting from Dec 2015 subject to the completion of the disbursements as per the approved restructuring package.



**Notes to Financials Statements for the Year ended 31st March' 2015**
**f) Repayment of Zero percent loan (Unsecured loans from promoters) :**

Subordinate debt is repaid only after the payment of the senior debt to Lenders

**6) Other Long Term Liabilities:**

Particulars	31st March, 2015(₹)	March 31, 2014(₹)
<b>Others:</b>		
Additional Concession Fees Payable to NHAI	389,697,003	110,709,375
Interest payable on Additional Concession Fees Payable to NHAI	30,445,850	3,148,393
<b>Total</b>	<b>420,142,853</b>	<b>113,857,768</b>

**Terms of Repayment**

NHAI has granted defferment of Additional concession fees payable to them.

**7) Long Term Provisions**

Particulars	31st March, 2015(₹)	March 31, 2014(₹)
Provison for Employee benefit		
Provison for Gratuity	789,771	419,635
<b>Total</b>	<b>789,771</b>	<b>419,635</b>

Particulars	31st March, 2015(₹)	March 31, 2014(₹)
<b>8)Other current liabilities:</b>		
<b>(i) Current Maturities of Long Term Loans</b>		
<b>(ii) Other Payables</b>		
Statutory liabilities	4,074,387	11,583,446
NHAI IC Fees	-	-
Interest accrued and due on borrowings	6,406,859	42,683,206
Toll operation and management services	1,808,472	1,944,716
EPC Payments	7,929,068	152,804,852
Retention Money	4,936,848	51,234,022
Other payables	4,511,829	-
Creditors for Expenses at site	1,980,466	2,353,488
Creditors for Expenses at HO	2,222,119	12,003,201
<b>Total</b>	<b>33,870,048</b>	<b>274,606,931</b>

**9) Short Term Provisions**

Particulars	31st March, 2015(₹)	March 31, 2014(₹)
Provison for Employee benefit		
Provison for Gratuity	14,148	1,355
<b>Other Provisions</b>		
Provision for Site Expenses	402,979	143,930
<b>Total</b>	<b>417,127</b>	<b>145,285</b>

**Notes to Financials Statements for the Year ended 31st March' 2015**

Assets	Gross Block (at cost)				Depreciation				Net Block		Amount (₹)	
	As on 01, 2014	Apr	Additions during the period	Adjustments during the period	As on March, 2015	31st	As on Apr 01, 2014	Additions during the period	Adjustments during the period	As on 31st March, 2015		As on 01, 2014
<b>2) Fixed Assets:</b>												
<b>Assets</b>												
<b>a) Tangible Assets:</b>												
Freehold Land	308,910	-	-	-	308,910	-	-	-	-	308,910	-	308,910
Furniture & Fixtures	179,503	-	-	-	179,503	-	10,669	-	110,901	68,602	-	79,271
Office Equipment	855,266	35,006	-	-	890,272	-	172,869	-	626,729	263,543	-	401,406
Computers	209,523	-	-	-	209,523	-	34,600	-	191,182	18,341	-	52,941
Oil Plaza Building	30,096,883	-	-	-	30,096,883	-	-	-	30,096,883	-	-	-
	31,650,085	35,006	-	-	31,685,091	-	218,139	-	31,025,696	659,395	-	842,528
<b>b) Intangible Assets:</b>												
Oil Plaza Management Systems *	19,301,313	-	-	-	19,301,313	-	772,053	-	2,765,468	16,535,845	-	17,307,898
	19,301,313	-	-	-	19,301,313	-	772,053	-	2,765,468	16,535,845	-	17,307,898
<b>c) Intangible assets under development:</b>												
Capital Fixed Assets	5,070,711,269	782,237,473	-	-	5,852,948,742	-	-	-	-	5,852,948,742	-	5,070,711,269
	5,121,662,667	782,272,479	-	-	5,903,935,146	-	990,192	-	33,791,164	5,870,143,982	-	5,088,861,695
Previous Year												

Intangible Asset - TMS amortised over the period of the concession agreement as the useful life is coterminous with the concession agreement



**Notes to Financials Statements for the Year ended 31st March' 2015**

10.c) Intangible assets under development:	31st March, 2015(₹)	Additions (₹)	March 31, 2014(₹)
<b>A) Construction Cost:</b>			
EPC Contract Bills	4,525,266,214	248,113,057	4,277,153,157
<b>Sub Total (A)</b>	<b>4,525,266,214</b>	<b>248,113,057</b>	<b>4,277,153,157</b>

**B) Pre Operative Expenditure pending allocation:**

Interest on Term Loans	1,234,394,323	505,595,147	728,799,176
Interest on Funded Interest Term Loan	6,914,818	6,914,818	-
Finance Charges	69,589,894	11,109,749	58,480,145
Legal & Professional Expenses	88,694,922	8,575,014	80,119,908
Audit Fee	1,009,180	280,900	728,280
Salaries & Wages	12,448,998	2,650,929	9,798,069
Administration expenses	8,469,816	348,040	8,121,776
Insurance	4,813,115	373,898	4,439,217
Miscellaneous Works	3,571,428	-	3,571,428
<b>Sub Total (B)</b>	<b>1,429,906,495</b>	<b>535,848,496</b>	<b>894,057,999</b>

**C. O&M related Pre-operative Expenses:**

Four lane (Existing) Maintenance			
Concession Fee	938,323,467	278,987,629	659,335,838
Interest on Additional concession fees	33,652,223	30,330,508	3,321,715
Advertisement Expenses	342,678	33,612	309,066
Bank Charges	154,365	2,070	152,295
Travelling & Conveyance	7,854,214	1,847,724	6,006,490
Traffic Study	505,620	505,620	-
Depreciation on Toll Plaza Building	30,096,883	-	30,096,883
Depreciation on Tangible Assets	905,951	218,139	687,812
Amortisation of Toll Software	2,765,468	772,053	1,993,415
Diesel Expenses	6,237,606	1,534,981	4,702,625
Electricity Expenses	6,643,641	1,726,188	4,917,453
Insurance O&M	3,807,942	1,346,937	2,461,005
Office Maintenance	2,460,005	467,192	1,992,813
Printing & Stationary	655,931	254,002	401,929
Rent	1,967,525	391,846	1,575,679
Repairs & Maintenance	7,051,699	2,852,717	4,198,982
Salaries & Staff Welfare	36,764,916	10,869,558	25,895,358
Toll Operation & Management Services	73,845,963	19,830,080	54,015,883
Ambulance & Patrolling vehicles	921,712	-	921,712
Other O&M Expenses	6,865,407	1,149,669	5,715,738
<b>Sub Total (C)</b>	<b>1,161,823,215</b>	<b>353,120,524</b>	<b>808,702,691</b>
<b>Total Expenditure (D)= (A)+(B)+(C)</b>	<b>7,186,995,925</b>	<b>1,137,082,078</b>	<b>5,979,913,847</b>

<b>Less:</b>			
Fee Collections from Users	1,234,549,538	353,493,712	881,055,826
Collection from Smart cards	456,370	45,900	410,470
Income from Mutual funds	28,753,994	1,247,944	27,506,050
Utility receipts	60,609,082	17,962,297	42,646,785
Less: Utility shifting payments	(60,609,082)	(17,962,297)	(42,646,785)
Change of scope proceeds	37,717,758	37,717,758	-
Less: Change of scope payments	(37,717,758)	(37,717,758)	-
Interest from Term Deposits	287,281	57,049	230,232
Diminution in Value of Investments	-	-	-
<b>Sub Total (E)</b>	<b>1,264,047,183</b>	<b>354,844,605</b>	<b>909,202,578</b>
<b>Grand Total (F)=(D)-(E)</b>	<b>5,852,948,742</b>	<b>782,237,473</b>	<b>5,070,711,269</b>

### 11) Non Current Investments

Particulars	Quoted		Unquoted	
	31st March, 2015(₹)	March 31, 2014(₹)	31st March, 2015(₹)	March 31, 2014(₹)
<b>Non Trade Investments at cost</b>				
<b>Investments in Mutual Fund *</b>				
Union KBC Capital Protection Oriented Fund -series 1	1,000,000	1,000,000		
Union KBC Asset Allocation Fund - capital protection fund	1,000,000	1,000,000		
Union KBC Asset Allocation Fund - trigger fund -series 1	-	2,000,000		
Union KBC Capital Protection Oriented Fund Series 5	1,000,000	1,000,000		
Union KBC Protection Oriented Fund Series -4A/c	500,000	500,000		
<b>Total</b>	<b>3,500,000</b>	<b>5,500,000</b>	<b>-</b>	<b>-</b>

### 12) Long term loans and advances(Unsecured, considered good):

Particulars	31st March, 2015(₹)	Mar 31, 2014(₹)
Security Deposits	266,897	241,897
Other Loans and advances		
Rent Advance	22,000	4,000
Advance for Toll Collection Management	200,000	200,000
<b>Total</b>	<b>488,897</b>	<b>445,897</b>







# Indore Dewas Tollways Limited



## Notes to Financials Statements for the Year ended 31st March' 2015

### 13) Current Investments:

Particulars	Quoted		Unquoted	
	31st March, 2015(₹)	31st March, 2014(₹)	31st March, 2015(₹)	31st March, 2014(₹)
Investments in Mutual Fund				
Union KBC Fixed Maturity Plan Series 7		3,000,000		
Union KBC Small 4 Mid cap Liquid fund	500,000		-	-
<b>Total</b>	<b>500,000</b>	<b>3,000,000</b>	<b>-</b>	<b>-</b>

### 14) Cash and Bank Balances:

Particulars	31st March, 2015(₹)	31st March, 2014(₹)
Cash and Cash equivalents		
Balances with banks:		
In Current Accounts	65,613,662	89,360,432
Cash on hand:	1,029,002	1,032,628
<b>Total A</b>	<b>66,642,664</b>	<b>90,393,060</b>
Other Bank Balances B		
In Fixed Deposits with Union bank of India (Maturity period more than 3 months)	34,384,603	-
<b>Total B</b>	<b>34,384,603</b>	
<b>Total (A+B)</b>	<b>101,027,267</b>	<b>90,393,060</b>

### 15) Short Term Loans and Advances:

#### Unsecured, considered good:

Particulars	31st March, 2015(₹)	March 31, 2014(₹)
Others		
Prepaid Interest to Lenders	7,404,091	-
Prepaid Expenses	1,414,757	1,625,307
Others	10,000	20,138
<b>Total</b>	<b>8,828,848</b>	<b>1,645,445</b>

### 16) Other current assets:

Particulars	31st March, 2015(₹)	March 31, 2014(₹)
Others		
Receivable from Statutory Authorities	1,194,997	1,769,698
Interest accrued but not received on Fixed deposits from Union bank of India	8,010	
Interest receivable from Punjab national bank	3,192,880	
Receivable from NHAI on Change of scope works	-	-
<b>Total</b>	<b>4,395,887</b>	<b>1,769,698</b>



**17) Other Income:**

Particulars	31st March, 2015(₹)	March 31, 2014(₹)
Interest on income tax refund	34,771	-
<b>Total</b>	<b>34,771</b>	<b>-</b>

**18) Employee benefit expense:**

Particulars	31st March, 2015(₹)	March 31, 2014(₹)
Salaries and wages	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**19) Other expenses:**

Particulars	31st March, 2015(₹)	March 31, 2014(₹)
Bank Charges	5,778	21,880
Conveyance	7,800	14,365
Printing & Stationery	17,519	10,600
Filing Fee	11,046	-
<b>Sub Total</b>	<b>42,143</b>	<b>46,845</b>
Others	40,860	9,618
<b>Total</b>	<b>83,003</b>	<b>56,463</b>

20) In terms of provisions of Accounting Standard 22 issued by ICAI, no deferred tax asset/liability has been recognised as the tax on timing difference between accounting income and taxable income that arise during the year is reversing during the tax holiday, which the company is eligible to avail under section 80 IA of the Income Tax Act, 1961.

**21) Contingent Liabilities & Other Commitments:****a) Contingent Liabilities**

Claims not acknowledged as liability by the the company for an amount of Rs. 2,61,87,392/- (Sep 13 to Feb 2015) (Previous year : Rs. 1,03,11,332/-) on account of IC fees payable to NHAI.

**b) Commitments****Capital Commitment**

Particulars	31st March, 2015(₹)	March 31, 2014(₹)
Towards EPC Cost	324,733,786	472,846,843
<b>Total</b>	<b>324,733,786</b>	<b>472,846,843</b>

**Other Commitments:**

As per Clause 26.2.1 of the Concession Agreement with NHAI, the Company has to pay Additional Concession fee of ` 24.10 Crs every year with escalation of 5% fixed pa from the FY 2011-12. Also, the Company has firm commitments for payment towards Lenders Independent Engineer expenses.



**Notes to Financials Statements for the Year ended 31st March' 2015**

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

**23) Employee Benefits:**

Provision for Gratuity is made on actuarial basis as summarized below. The Company does not have any policy for Compensated Absences.

Particulars	March 31, 2015 (₹)	March 31, 2014 (₹)
<b>a. Results of Actuarial Valuation as on</b>		
1. Current Service Cost	76,143	59,041
2. Interest Cost on Benefit Obligation	33,679	31,767
3. Expected Return on Plan Assets	-	-
4. Net Actuarial (gain)/Loss recognised in the year	273,107	(67,276)
5. Past services cost	-	-
6. Net Benefit Expense	382,929	23,532
<b>b. Amount recognized in Balance Sheet as on</b>		
1. Opening defined benefit obligation	420,990	397,458
2. Interest Cost	33,679	31,767
3. Current Service Cost	76,143	59,041
4. Benefits Paid	-	-
5. Actuarial (gain)/Loss on obligation	273,107	(67,276)
6. Closing defined benefit obligation	803,919	420,990
<b>c. Principal Actuarial Assumptions:</b>		
1. Average Salary Growth Rate	4%	4%
2. Discounting Rate	8%	8%
3. Attrition Rate	3%	3%
4. Mortality Table	LIC (1994-96)	LIC (1994-96)
5. Available Balance services	24.61 yrs	25.05 yrs

**24 a) List of related parties and relationship:**
**Name of the Related party**

M/s Gayatri Infra Ventures Limited

**Relationship**

Company having significant influence & Enterprises owned or significantly influenced by key management personnel or their relatives

M/s Gayatri Projects Limited

Company having significant influence & Enterprises owned or significantly influenced by key management personnel or their relatives



M/s Balaji Highways Holding Pvt Limited

T.V. Sandeep Kumar Reddy

J.Brij Mohan Reddy

T.Subbarami Reddy

T.Indira Reddy

Company having significant influence

Key Management Personnel (KMP)

Key Management Personnel

Relatives of KMP

Relatives of KMP

**b) Related party transactions for the period ended March 31, 2015 are as follows**

Particulars	March 31, 2015 (₹)	March 31, 2014 (₹)
<b>Reimbursement of expenses:</b>		
M/s Gayatri Infra Ventures Limited		-
M/s Gayatri Projects Limited		-
<b>Transactions for EPC, utility works and other Miscellaneous Works:</b>		
M/s Gayatri Projects Limited	423,729,570	1,184,095,073
<b>Payment of Retention Money:</b>		
M/s Gayatri Projects Limited	50,000,000	-
<b>Balances as at year end:</b>		
M/s Gayatri Infra Ventures Limited		
Share Capital (Pledged with Lenders ref Notes 5.e.g)	166,600	166,600
Interest free Subordinate loan	363,000,000	363,000,000
Payables		5,937,686
M/s Gayatri Projects Limited		
Share Capital (Pledged with Lenders ref Notes 5.e.g)	166,600	166,600
Interest free Subordinate loan	339,500,000	239,500,000
Payables	9,068,095	157,893,308
Retention Money	4,931,656	-
COS Mobilization advance Debit balance	(62,217,629)	-
M/s Balaji Highways Holding Pvt Limited		
Share Capital	166,600	166,600

**25) Earnings per share (EPS):**

Particulars	31st March, 2015(¹)		March 31, 2014 (₹)	
	No of Shares	Amount (₹)	No of Shares	Amount (₹)
Net Profit/(Loss) after tax available for equity shareholders		(48,232)		(56,463)
Weighted average no of equity shares for Basic EPS	50,000		50,000	
Weighted average no of equity shares for diluted EPS	50,000		50,000	
Face value per share		10		10
Basic EPS		(0.96)		(1.13)
Diluted EPS		(0.96)		(1.13)



## 26) Auditor's Remuneration

Particulars	31st March, 2015(₹)	March 31, 2014(₹)
Audit fee including Tax audit	250,000	250,000
Certificate fee	155,057	292,136
Service Tax	50,065	67,008
<b>Total</b>	<b>455,122</b>	<b>609,144</b>

27) The earnings and expenditure in foreign currency for the current period is Nil (Previous Year: Nil) and C.I.F value of imports for the current period is Nil (Previous Year: Nil).

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

29) In the opinion of the board, Current Assets, Loans and advances have a value in the ordinary course of business at least equal to the amount at which they are stated.

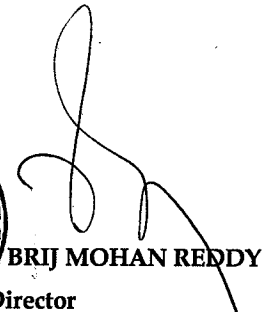
For Gianender & Associates  
Chartered Accountants

ICAI Regn No: 004661N



Shashank Agrawal  
Partner

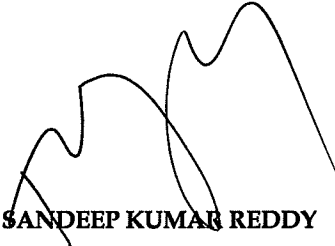
Membership No. 536670



BRIJ MOHAN REDDY  
Director

DIN 00012927

For and on behalf of the Board



T.V. SANDEEP KUMAR REDDY  
Director

DIN 00005573

Place: Hyderabad

Date: 20.5.2015