

# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai - 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email:mumbai@trchadha.com



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### INDEPENDENT AUDITOR'S REPORT

To,  
**The Members of DA Toll Road Private Limited**

#### *Report on the Financial Statements*

We have audited the accompanying financial statements of **DA Toll Road Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone 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 have 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.

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(A limited liability partnership with LLP Identification No. AAF-3926) with effect from 28th December, 2015)

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Branches at: ❖ AHMEDABAD ❖ BENGALURU ❖ CHENNAI ❖ GURGAON ❖ HYDERABAD ❖ PUNE

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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 standalone 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 31<sup>st</sup> March, 2016, and its **Profit** and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 we give in the Annexure a statement on the matters specified in 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.

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- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule of the Companies (Accounts) Rules, 2014.
- (e) There are no observations or comments on the financial transactions or matters which have any adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position.
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For T R Chadha & Co LLP  
Chartered Accountants  
Firm Registration No. 006711N/N500028

Pramod Tilwani  
(Partner)  
Membership No. 76550

Date:  
Place: Mumbai

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**DA Toll Road Private Limited**  
**Annexure to Independent Auditors' Report for the period ended March 2016**  
**(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)**

**(i) Fixed Assets**

- a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) As explanation and information given to us, the fixed assets have been physically verified by the management in phased manner, which in our opinion is reasonable having regard to the size & nature of the company. No material discrepancies were noted on such verification.
- c) Title deeds of immovable assets held in the name the company.

**(ii) Inventories**

There were no inventory lying as on 31.03.2016, accordingly, the provisions of clause (ii) of the Order is not applicable to the company.

**(iii) Loans given**

The Company has not granted any Secured or unsecured loan to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence reporting under clause 3 (iii) (a), (b) and (c) does not arise.

**(iv) Compliance of Sec. 185 & 186**

The Company has not entered into any transaction in respect of loans, investments, guarantee and security which attracts compliance to provisions of section 185 & 186 of the Companies Act, 2013, therefore, paragraph 3 (iv) of the order is not applicable to the company.

**(v) Public Deposit**

During the year, the company has not accepted any deposits from the public, therefore, paragraph 3 (v) of the order is not applicable.

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### (vi) Cost Records

The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 the Act and are of the opinion that prima facie, the specified accounts and records have been made and maintained.

### (vii) Statutory Dues

- a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, Employees State insurance, income-tax, Sales-Tax, Wealth Tax, Service tax, value added tax, cess and Entertainment Tax etc. There are no undisputed dues payable, outstanding as on 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 amounts in respect of income tax, service tax etc. that have not been deposited with the appropriate authorities on account of any dispute.

(viii) Company has not defaulted in repayment of loans or borrowing to financial institutions, banks, government or dues to debenture holders.

(ix) The Company has not raised money by way of initial public offer or further public offer (including debt instrument) any term loans during the period under audit therefore, paragraph 3 (ix) of the order is not applicable to the company.

(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 fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year.

(xi) According to information & explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.

(xii) As explained, the company is not a Nidhi Company. Therefore paragraph 3 (xii) of the order is not applicable to the company.

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- (xiii) As per the information and explanations given by the management, all the transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) Company has not made preferential allotment or private placement of shares or fully or partially convertible debenture during the year under review. Therefore, clause (xiv) of the order is not applicable to the company.
- (xv) As per the information and explanations given by the management, the company has not entered into any non-cash transaction with directors or persons connected with him. Therefore paragraph 3 (xv) of the order is not applicable to the company.
- (xvi) As per the information and explanations given by the management, company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore paragraph 3 (xvi) of the order is not applicable to the company.

For T R Chadha & Co LLP  
Chartered Accountants  
Firm Registration No. 006711N/N500028

  
Pragnod Tilwani  
(Partner)  
Membership No. 76550

Date: 14.05.2016  
Place: Mumbai

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### ANNEXURE-A\*

#### THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DA TOLL ROAD 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 DA Toll Road Private Limited ("the Company") as of 31 March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

##### Management's Responsibility for Internal Financial Controls

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

##### Auditors' Responsibility

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

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

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

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## Meaning of Internal Financial Controls Over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

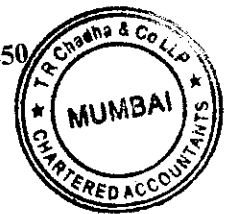
## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 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 T R Chadha & Co LLP  
Chartered Accountants  
Firm Registration No. 006711N/N500028

Pramod Tilwani  
(Partner)  
Membership No. 76650

Date:  
Place: Mumbai



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**DA Toll Road Private Limited**

Balance Sheet as at 31st March 2016

	Note	As at March 31, 2016		As at March 31, 2015	
		₹		₹	
<b>I. EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share capital	2.1	9,01,80,000		9,01,80,000	
Reserves and surplus	2.2	3,63,17,93,949	3,72,19,73,949	2,58,33,09,210	2,67,34,89,210
<b>Non-current liabilities</b>					
Long-term borrowings	2.3	8,20,91,59,000		2,85,56,50,000	
Other Long term liabilities	2.4	68,25,07,733		41,89,41,271	
Long-term provisions	2.5	78,59,398	8,89,95,26,131	36,55,244	3,27,82,46,515
<b>Current liabilities</b>					
Short-term borrowings	2.6	11,45,00,000		2,68,00,000	
Trade Payable	2.7	7,81,13,681		3,59,59,245	
Other current liabilities	2.8	2,47,32,41,401		4,03,48,15,493	
Short-term provisions	2.9	3,41,557	2,66,61,96,639	4,02,62,187	4,13,78,36,925
<b>Total</b>			<b>15,28,76,96,719</b>		<b>10,08,95,72,650</b>
<b>II. ASSETS</b>					
<b>Non-current assets</b>					
<b>Fixed Assets</b>					
Tangible assets	2.10	92,63,577		82,29,648	
Intangible assets	2.11	35,54,641		1,05,95,227	
Intangible assets under development	2.12	13,81,79,13,478	13,83,07,31,696	7,30,48,53,988	7,32,36,78,863
Long-term loans and advances	2.13		1,29,44,12,096		2,27,64,00,511
<b>Current Assets</b>					
Cash and Bank Balances	2.14		1,52,44,344		31,98,28,547
Short-term loans and advances	2.15		14,73,08,583		16,96,64,729
<b>Total</b>			<b>15,28,76,96,719</b>		<b>10,08,95,72,650</b>
Significant Accounting Policies and Notes on Financial Statements	1 & 2				

This is the Balance Sheet referred to in our report of even date.

For TR Chadha & Co LLP  
Chartered Accountants  
Firm Regn. No. 006711N/N500028

For and on behalf of the Board

Pramod Tilwani  
Partner  
Membership No. : 76650

Kaushik Pal  
Director & CEO  
DIN:05237230

Madan Biyani  
Director & CFO  
DIN:07130371

Srilata Thiru Gopal  
Company Secretary

Date: May 14, 2016  
Place: Mumbai

Date: May 14, 2016  
Place: Mumbai

# DA Toll Road Private Limited

Statement of Profit and Loss for the year ended 31st March 2016

	Note	Year ended March 31, 2016 ₹	Year ended March 31, 2015 ₹
<b>Revenue</b>			
Revenue from operations	2.16	1,64,89,13,367	1,56,00,87,520
Other income	2.17	26,31,993	60,30,337
<b>Total Revenue</b>		<b>1,65,15,45,360</b>	<b>1,56,61,17,857</b>
<b>Expenses</b>			
Employee benefit expenses	2.18	3,80,41,511	2,62,23,125
Other expenses	2.19	31,19,43,151	65,82,51,618
Finance costs	2.20	-	76,983
Depreciation and amortisation expenses	2.10, 2.11	81,43,023	92,05,842
<b>Total Expenses</b>		<b>35,81,27,685</b>	<b>69,37,57,568</b>
<b>Profit before Tax</b>		<b>1,29,34,17,675</b>	<b>87,23,60,289</b>
<b>Tax Expenses</b>			
Current Tax		28,00,00,000	18,28,51,078
Income Tax for earlier year		(3,50,67,064)	-
<b>Profit (Loss) after Tax</b>		<b>1,04,84,84,739</b>	<b>68,95,09,210</b>
Earnings Per equity share (Face Value of ₹ 10 per share)			
Basic & Diluted		116.27	76.46

Significant Accounting Policies and Notes on Financial Statements

1 & 2

This is the Statement of Profit and Loss referred to in our report of even date.

**For TR Chadha & Co LLP**

Chartered Accountants

Firm Regn. No. 006711N/N500028

**Pramod Tilwani**

Partner

Membership No. : 76650

Date: May 14, 2016

Place: Mumbai

**Kaushik Pal**

Director & CEO

DIN:05237230

Date: May 14, 2016

Place: Mumbai

**Madan Biyani**

Director & CFO

DIN:07130371

**Srilata Thiru Gopal**

Company Secretary



# DA Toll Road Private Limited

Cash Flow Statement for the year ended 31st March 2016

	Note	Year ended	Year ended
		March 31, 2016	March 31, 2015
		₹	₹
<b>A Cash Flow from/ (used in) Operating Activities</b>			
Profit before Taxation		1,29,34,17,675	87,23,60,289
<b>Adjustments for:</b>			
Depreciation		81,43,023	92,05,842
Interest and Finance Charges		-	76,983
Dividend income		-	(39,47,377)
<b>Adjustments for:</b>			
Trade Payable		4,21,54,436	1,65,39,409
		1,34,37,15,134	89,42,35,146
Income Taxes paid (net of refund)		(24,49,32,936)	(18,28,51,078)
<b>Net Cash Generated from/ (used in) Operating Activities</b>		1,09,87,82,198	71,13,84,067
<b>B Cash flow from Investing Activities</b>			
Purchase of Fixed Assets		(6,38,29,28,717)	(1,15,38,69,145)
Dividend received		-	39,47,377
<b>Net Cash used in investing activities</b>		(6,38,29,28,717)	(1,14,99,21,768)
<b>C Cash flow from/ (used in) Financing Activities</b>			
Proceeds from Long term borrowings		5,40,98,25,750	81,69,00,000
Proceeds (net) from Short term borrowings		8,77,00,000	2,68,00,000
Interest and Finance Charges		(51,79,63,434)	(15,19,22,870)
<b>Net cash generated from Financing Activities</b>		4,97,95,62,316	69,17,77,130
<b>Net (Decrease)/ Increase in Cash and Cash equivalents</b>	<b>[A+B+C]</b>	<b>(30,45,84,203)</b>	<b>25,32,39,430</b>
Cash and Cash equivalents as at the commencement of the year (Opening Balance)		31,98,28,547	6,65,89,117
Cash and Cash equivalents as at the end of the year (Closing Balance)		1,52,44,344	31,98,28,547
<b>Net (Decrease)/ Increase in Cash and Cash equivalents</b>		<b>(30,45,84,203)</b>	<b>25,32,39,430</b>

Previous year figures have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

This is the Cash Flow Statement referred to in our report of even date.

For TR Chadha & Co LLP  
Chartered Accountants  
Firm Regn. No. 006711N/N500028

For and on behalf of the Board

Pramod Tilwani  
Partner  
Membership No. : 76650

Kaushik Pal  
Director & CEO  
DIN:05237230

Madan Biyani  
Director & CFO  
DIN:07130371

Srilata Thiru Gopal  
Company Secretary

Date: May 14, 2016

Place: Mumbai

Date: May 14, 2016

Place: Mumbai

## DA Toll Road Private Limited

Notes annexed to and forming part of the financial statements for year ended 31st March 2016

### INTRODUCTION:

The Company has been awarded to carry on the business of design, engineer, procure, construct, fabricate, build, improve, strengthen, operate, maintain and provide infrastructural facilities of all types including roads, bridges, culverts, over bridges, underpasses, flyovers, toll plaza, traffic management systems and equipment, buildings and other infrastructures and collect toll, fees, or charges, carry out surveys, investigations, polls and regulate traffic in connection with the project to be taken up by the Company on Design, Build, Operate and Transfer (DBFOT) basis under the Concession Agreement dated July 26, 2010 with National Highways Authority of India. The Concession Agreement is for a period of 26 years from appointed date for Design, Engineering, Construction, Operation and Maintenance for Six laning of Delhi to Agra section of National Highway – 2 (km 20.50 to km 200.00) in the state of Haryana/Uttar Pradesh or otherwise.

#### 1 Significant Accounting Policies:

##### 1.1 Basis of Preparation of Financial Statements

The financial statements are prepared on an accrual basis of accounting and in accordance with the generally accepted accounting principles in India, the relevant provisions of the Companies Act, 2013 (the Act) and comply in material aspects with the Accounting Standards notified under Section 133 of the Act, (read with Rule 7 of the Companies (Accounts) Rules, 2014.

##### 1.2 Financial Statements: Presentation and disclosures

The financial statements have been prepared as per the requirements of Schedule III notified under the Act. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

##### 1.3 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

##### 1.4 Fixed Assets

The gross block of Fixed Assets is stated at cost of acquisition or construction, including any cost attributable to bringing the assets to their working condition for their intended use.

All Project related expenditure for acquisition of Toll collection rights viz., civil works, machinery under erection, construction and erection materials, pre-operative expenditure, expenditure indirectly related to the project and incidental to setting up project facilities, borrowing cost incurred prior to the date of commercial operation, and trial run expenditure are shown under Intangible Assets under Development till the date of commissioning of the project. These expenses are net of recoveries, claims and income (net of tax) from surplus funds arising out of project specific borrowings.

Intangible assets are stated at acquisition cost less accumulated amortization.

##### 1.5 Investments

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.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

##### 1.6 Borrowing Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

##### 1.7 Revenue Recognition

In respect of Toll Roads, toll revenue from operations of the facility is accounted on receipt basis.

Dividend on investment is recognized when the right to receive the payment is established.

Insurance and other claims are recognised as revenue on certainty of receipt on prudent basis.

##### 1.8 Depreciation and Amortisation

Depreciation on Tangible assets is provided on Straight Line Method (SLM) on the basis of their useful life or at the rates and in the manner specified in Schedule II to the Act.

Toll Collection Rights are amortised over the concession period on the basis of projected toll revenue which reflects the pattern in which the assets' economic benefits are consumed. The projected total toll revenue is based on the independent traffic volume projections. Amortisation is revised in case of any material change in the expected pattern of economic benefits. The same is in line with Schedule II to the Act.

Specialised software is amortised over a period of three years.

## **1.9 Employee Benefits**

Contributions to defined contribution schemes such as provident fund, superannuation funds etc. are charged to Statement of Profit and Loss / Intangible Assets under Development, as applicable. The Company also provides for retirement benefits in the form of gratuity and leave encashment. The liability in respect of this defined benefit plans is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Such defined benefits are charged to Statement of Profit and Loss / Intangible Assets under Development, as applicable, based on actuarial valuations, as at the balance sheet date, made by independent actuaries. Actuarial gain and loss is recognised in the Statement of Profit and Loss / Intangible Assets under Development, as may be applicable.

## **1.10 Taxation**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the income Tax Act, 1961. Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future. However, in respect of unabsorbed depreciation or carry forward loss, the deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future.

## **1.11 Foreign Exchange Transactions**

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Gains and losses, if any, at the year-end in respect of monetary assets and monetary liabilities not covered by the forward contracts are recognized in the Statement of Profit and Loss.

Non-Monetary items denominated in foreign currency are stated at the rate prevailing on the date of the transaction.

In respect of forward exchange contract entered into to hedge foreign currency risk of an existing assets/liabilities, the premium or discount arising at the inception of forward exchange contract is amortized and recognised as an expense/income over the life of the contract. Exchange difference on such contract, are recognised in the statement of the profit and loss in the period in which the exchange rate change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as expense for the period.

## **1.12 Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If the carrying amount of fixed assets / cash generating unit exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows

## **1.13 Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

## **1.14 Contingent Liabilities and Contingent Assets:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

## **1.15 Cash and Cash Equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise of cash on hand and demand deposits with banks.

## DA Toll Road Private Limited

Notes annexed to and forming part of the financial statements for year ended 31st March 2016

### Note 2.1 Share Capital

	As at March 31, 2016 ₹	As at March 31, 2015 ₹
<b>Authorized</b>		
Equity Shares of ₹ 10 each		
1,00,00,000 (100,00,000) equity shares	10,00,00,000	10,00,00,000
	<u>10,00,00,000</u>	<u>10,00,00,000</u>
<b>Issued, Subscribed and Paidup</b>		
Equity Shares of ₹ 10 each		
90,18,000 (90,18,000) equity shares	9,01,80,000	9,01,80,000
	<u>9,01,80,000</u>	<u>9,01,80,000</u>
<b>Reconciliation of shares</b>		
No. of shares at the beginning of the year	90,18,000	90,18,000
Add : No. of Shares Issued during the year	-	-
No. of Shares at the end of the year	<u>90,18,000</u>	<u>90,18,000</u>

### Details of Shareholders holding more than 5% of shares :

Name of the shareholders	No. of Shares	%	No. of Shares	%
Reliance Infrastructure Limited	90,18,000	100%	90,18,000	100%

### Note 2.2 Reserves and Surplus

<b>Securities Premium Account</b>				
Opening Balance	81,07,20,000		81,07,20,000	
Addition during the year	-		-	
Closing Balance		81,07,20,000		81,07,20,000
<b>Surplus as per Statement of Profit &amp; Loss</b>				
Opening Balance	1,77,25,89,210		1,08,30,79,999	
Net Profit/(loss) for the year	1,04,84,84,739		68,95,09,210	
Closing Balance		<u>2,82,10,73,949</u>		<u>1,77,25,89,210</u>
		<u>3,63,17,93,949</u>		<u>2,58,33,09,210</u>

## DA Toll Road Private Limited

Notes annexed to and forming part of the financial statements for year ended 31st March 2016

	As at March 31, 2016		As at March 31, 2015	
	Non Current ₹	Current * ₹	Non Current ₹	Current * ₹
<b>Note 2.3 Long Term Borrowings</b>				
<b>A) Secured</b>				
Term loans from Banks - Indian	2,16,54,00,000	-	25,28,00,000	-
Term loans from FI - Indian	1,06,03,00,000	-	-	-
ECB from Foreign	2,10,69,09,000	5,63,16,750	-	-
	<u>5,33,26,09,000</u>	<u>5,63,16,750</u>	<u>25,28,00,000</u>	<u>-</u>
<b>B) Unsecured</b>				
Sub Ordinate Debts from Reliance Infrastructure Limited (Holding Company)	2,87,65,50,000	-	2,60,28,50,000	-
<b>Total (A+B)</b>	<u>8,20,91,59,000</u>	<u>5,63,16,750</u>	<u>2,85,56,50,000</u>	<u>-</u>

\* Current Maturities of Long term debt disclosed under other current liabilities (Refer Note 2.8)

### Secured By :-

- all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in the Project Documents;
  - the rights, title and interest of the Borrower in, to and under all the Clearances;
  - all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in any letter of credit, guarantee including Contractors, guarantees and Liquidated Damages and performance bond provided by any party to the Project Documents;
  - all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower under all Insurance Contracts;
- e) Repayment Terms :-
- Repayment of the Rupee Loan shall be in 46 (Forty Six) quarterly structured instalments starting from 31/03/2018
  - Repayment of the ECB from Intesa & SBI Mauritius shall be in 26 quarterly structured instalments starting from 30/06/2016 &
- f) The applicable interest rate shall be State Bank of India Base Rate + 2.5% for Rupee Loan and for ECB from Intesa and SBI Mauritius is 3 month Libor + 4.44%/ 4.62%

### Maturity Profile of Secured loans are as under:

Particulars	Rupee Loan		ECB	Total
	From Banks	From FI		
FY 2016-17	-	-	5,63,16,750	5,63,16,750
FY 2017-18	5,30,00,000	2,50,00,000	17,88,88,500	25,68,88,500
FY 2018-19	21,20,00,000	10,00,00,000	31,13,98,500	62,33,98,500
FY 2019-20	21,20,00,000	10,00,00,000	50,02,25,250	81,22,25,250
FY 2020-21	21,20,00,000	10,00,00,000	67,08,31,875	98,28,31,875
FY 2021-22	23,85,00,000	11,25,00,000	44,55,64,875	79,65,64,875
FY 2022-23 onwards	1,23,79,00,000	62,28,00,000	-	1,86,07,00,000
<b>Total</b>	<b>2,16,54,00,000</b>	<b>1,06,03,00,000</b>	<b>2,16,32,25,750</b>	<b>5,38,89,25,750</b>



# DA Toll Road Private Limited

Notes annexed to and forming part of the financial statements for year ended 31st March 2016

	As at March 31, 2016 ₹	As at March 31, 2015 ₹
<b>Note 2.4 Other Long Term Liabilities</b>		
Retention Payable to creditors	68,25,07,733	41,89,41,271
	<u>68,25,07,733</u>	<u>41,89,41,271</u>
<b>Note 2.5 Long Term Provisions</b>		
Provision for employee benefit		
Leave Encashment	78,02,262	36,55,141
Gratuity	57,136	103
	<u>78,59,398</u>	<u>36,55,244</u>
<b>Note 2.6 Short Term Borrowings</b>		
Inter Corporate Deposits from Reliance Infrastructure Limited in the nature of Sponsor subordinated Tranche	11,45,00,000	2,68,00,000
	<u>11,45,00,000</u>	<u>2,68,00,000</u>
<b>Note 2.7 Trade Payable</b>		
Trade Payable	7,81,13,681	3,59,59,245
	<u>7,81,13,681</u>	<u>3,59,59,245</u>
<b>Note 2.8 Other current Liabilities</b>		
Current Maturity of Long term debts ( Refer note No 2.3)	5,63,16,750	-
Creditors for Capital Expenditure	2,38,55,90,952	4,01,66,85,721
Interest accrued but not due	8,83,748	-
Other Liabilities	3,04,49,951	1,81,29,772
	<u>2,47,32,41,401</u>	<u>4,03,48,15,493</u>
<b>Note 2.9 Short Term Provisions</b>		
Provision for leave encashment	3,41,557	1,58,229
Provision of Income Tax (Net of Advance Income Tax paid)	-	4,01,03,958
	<u>3,41,557</u>	<u>4,02,62,187</u>

**DA Toll Road Private Limited**

Notes annexed to and forming part of the financial statements for year ended 31st March 2016

**Note 2.10 Tangible Assets**

Particulars	Gross Block		Depreciation/Amortisation			Net Block	
	As at April 1, 2015	Additions during the year	As at March 31, 2016	As at April 1, 2015	Additions during the year	As at March 31, 2016	As at March 31, 2015
Buildings	16,28,600	-	16,28,600	85,519	32,572	1,18,091	15,10,509
Plant & Machinery	42,22,867	4,42,002	46,64,869	11,26,725	8,34,856	19,61,581	27,03,288
Office Equipments	69,69,341	27,80,701	97,50,042	49,54,663	11,01,939	60,56,602	36,93,440
Furniture and Fixtures	47,67,920	16,100	47,84,020	31,92,173	2,35,507	34,27,680	13,56,340
<b>Total</b>	<b>1,75,88,728</b>	<b>32,38,803</b>	<b>2,08,27,531</b>	<b>93,59,080</b>	<b>22,04,874</b>	<b>1,15,63,954</b>	<b>92,63,577</b>
Previous Year	1,50,38,607	25,50,121	1,75,88,728	57,94,001	35,65,079.00	93,59,080	82,29,648

**Note 2.11 Intangible Assets**

Particulars	Gross Block		Depreciation			Net Block	
	As at April 1, 2015	Additions during the year	As at March 31, 2016	As at April 1, 2015	Additions during the year	As at March 31, 2016	As at March 31, 2015
Computer Software	2,15,31,763	-	2,15,31,763	1,09,36,536	70,40,586	1,79,77,122	35,54,641
<b>Total</b>	<b>2,15,31,763</b>	<b>-</b>	<b>2,15,31,763</b>	<b>1,09,36,536</b>	<b>70,40,586</b>	<b>1,79,77,122</b>	<b>35,54,641</b>
Previous Year	2,15,31,763	-	2,15,31,763	38,69,741	70,66,795	1,09,36,536	1,05,95,227

**DA Toll Road Private Limited**

Notes annexed to and forming part of the financial statements for year ended 31st March 2016

	As at March 31, 2015 ₹	During the year ₹	As at March 31, 2016 ₹
<b>Note 2.12 Intangible Assets Under Development</b>			
<b>A) Assets under Construction pending allocation</b>			
Project Contract Expenses	6,89,01,67,850	5,78,82,82,963	12,67,84,50,813
Capital Work In Progress	19,38,671	55,95,444	75,34,115
<b>Total (A)</b>	<b>6,89,21,06,521</b>	<b>5,79,38,78,407</b>	<b>12,68,59,84,928</b>
<b>B) Incidental Expenses related to development of intangible assets</b>			
Salaries, Bonus and Other Allowances	8,45,65,154	4,04,21,310	12,49,86,464
Project Execution Support Services	1,96,38,496	1,85,76,015	3,82,14,511
Electricity Expenses	5,97,163	1,30,889	7,28,052
Insurance Charges	3,01,70,551	1,77,56,507	4,79,27,058
Travelling & Conveyance	1,68,45,195	13,85,795	1,82,30,990
Vehicle expenses	44,26,733	42,32,516	86,59,249
Auditors' Remuneration	1,49,821	1,96,913	3,46,734
Rent, Rate & Taxes	72,13,636	35,32,153	1,07,45,789
Legal And Professional Charges	3,16,29,347	2,67,97,878	5,84,27,225
Other Miscellaneous Expenses	3,89,69,888	40,27,017	4,29,96,905
Guarantee Commission	2,40,82,175	42,85,468	2,83,67,643
Interest Cost	34,630	31,97,59,338	31,97,93,968
Unrealised Forex Loss-Revaluation of Loans	-	8,71,56,512	8,71,56,512
Realised Forex Loss(Gain)-Swap	-	(88,42,500)	(88,42,500)
Other Finance Charges	-	-	-
Upfront Fees	9,18,24,057	15,31,69,521	24,49,93,578
Arrangers' Fees	5,99,87,200	4,50,34,575	10,50,21,775
Bank Charges	9,039	4,58,739	4,67,778
Depreciation	26,04,381	11,02,437	37,06,818
<b>Total (B)</b>	<b>41,27,47,467</b>	<b>71,91,81,083</b>	<b>1,13,19,28,549</b>
<b>C) Other Income</b>	-	-	-
Less : Other Income	-	-	-
<b>Total (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (D) = (B - C)</b>	<b>41,27,47,467</b>	<b>71,91,81,083</b>	<b>1,13,19,28,549</b>
<b>Grand Total (E) = (A+D)</b>	<b>7,30,48,53,988</b>	<b>6,51,30,59,490</b>	<b>13,81,79,13,478</b>

# DA Toll Road Private Limited

Notes annexed to and forming part of the financial statements for year ended 31st March 2016

	As at March 31, 2016 ₹	As at March 31, 2015 ₹
<b>Note 2.13 Long Term Loans and Advances</b>		
Capital advance	<u>1,29,44,12,096</u>	<u>2,27,64,00,511</u>
	<u>1,29,44,12,096</u>	<u>2,27,64,00,511</u>
<b>Note 2.14 Cash and Bank Balance</b>		
Cash and Cash Equivalents		
Balances with banks		
In Current Accounts	1,05,60,108	31,08,66,458
Cash on hand	46,84,236	89,62,089
	<u>1,52,44,344</u>	<u>31,98,28,547</u>
<b>Note 2.15 Short Term Loans and Advances</b>		
Advance Income Tax ( Net of Provision)	1,42,07,309	-
Recoverable from Government Authority	6,60,63,709	7,49,75,998
Other Receivable incl. Mobilisation advance to Vendors	4,38,37,891	7,76,47,482
Un realised Forex Gain	88,42,500	-
Security deposits	1,75,525	2,99,075
Prepaid Expenses	1,11,02,150	1,42,35,387
Advance to Employees	30,79,499	25,06,787
	<u>14,73,08,583</u>	<u>16,96,64,729</u>

# DA Toll Road Private Limited

Notes annexed to and forming part of the financial statements for year ended 31st March 2016

	Year ended March 31, 2016 ₹	Year ended March 31, 2015 ₹
<b>Note 2.16 Revenue from Operations</b>		
Sale of services - Toll Collection	1,64,89,13,367	1,56,00,87,520
	<b>1,64,89,13,367</b>	<b>1,56,00,87,520</b>
<b>Note 2.17 Other Income</b>		
Dividend Income	-	39,47,377
Interest Income		
On others	26,24,992	20,82,960
Other Income	7,001	-
	<b>26,31,993</b>	<b>60,30,337</b>
<b>Note 2.18 Employee benefit expenses</b>		
Salaries and Wages	3,44,23,414	1,90,64,732
Contribution to Provident Fund and Other Fund	12,56,538	9,08,504
Contribution to Gratuity Fund	23,58,707	11,57,163
Staff welfare expenses	2,853	50,92,726
	<b>3,80,41,511</b>	<b>2,62,23,125</b>
<b>Note 2.19 Other Expenses</b>		
Toll Operation & Maintenance Expenses	25,26,83,654	59,50,25,268
Electricity Expenses	45,93,057	39,29,607
Insurance	1,14,07,592	1,28,92,586
Travelling & Conveyance	54,12,632	87,34,380
Auditors' Remuneration		
- Audit Fees	1,42,500	2,00,000
- Certification Fees	24,500	96,500
- Out of Pocket Expenses	29,913	30,374
Rent, Rates & Taxes	35,32,153	38,58,222
Legal and Professional Charges	2,64,57,083	2,11,71,460
Other Miscellaneous Expenses	76,60,067	1,23,13,221
	<b>31,19,43,151</b>	<b>65,82,51,618</b>
<b>Note 2.20 Finance Costs</b>		
Interest expense	-	51,945
Other finance charges	-	25,038
	-	<b>76,983</b>

## DA Toll Road Private Limited

Notes annexed to and forming part of the financial statements for year ended 31st March 2016

### 2.21 Earning Per Share

Particulars	₹	
	Year ended March 31st, 2016	Year ended March 31st, 2015
Basic / Diluted Earning Per Share:		
Profit after taxation as per Profit and Loss Account	(A) 1,04,84,84,739	68,95,09,210
Weighted average number of Equity Shares Outstanding	(B) 90,18,000	90,18,000
Basic/Diluted Earning Per Share (in Rupees)	(A)/(B) 116.27	76.46
Nominal value of equity share (in Rupees)	10.00	10.00

### 2.22 Related Party Transaction

Related party disclosure as required by Accounting Standard (As) - 18 "related party disclosures" issued by The Institute of Chartered Accountants of India:

#### Relationships:

(A) Name of Holding company - Reliance Infrastructure Limited

(B) Details of transactions during the year and closing balances as at the end of the year:

Particulars	₹	
	Year ended March 31, 2016	Year ended March 31, 2015
<b>Statement of Profit &amp; Loss and Intangible Assets under development heads:</b>		
<b>Expenses:</b>		
Toll Operation & Maintenance Exps	2,59,70,725	3,62,54,078
Reimbursement of Guarantee Commission & Other Expenses	54,58,237	98,87,029
Project Execution Support services	1,61,48,697	69,82,050
<b>Balance Sheet Heads (Closing Balances):</b>		
Issue of Equity Share Capital	9,01,80,000	9,01,80,000
Security Premium	81,07,20,000	81,07,20,000
Sub-Ordinate Debts	2,87,65,50,000	2,60,28,50,000
Inter Company Deposit	11,45,00,000	2,68,00,000
Towards Creditors Outstanding	8,27,02,697	4,20,71,095
<b>Contingent Liability (Closing Balances):</b>		
Bank Guarantee given on behalf of the Company	-	1,07,89,00,000
<b>Transactions during the year:</b>		
Sub-Ordinate Debts	27,37,00,000	56,41,00,000
Inter Corporate Deposit	8,77,00,000	2,68,00,000

## DA Toll Road Private Limited

Notes annexed to and forming part of the financial statements for year ended 31st March 2016

### 2.23 Retirement Benefits:

Disclosure as required by Accounting Standard (AS) - 15 (Revised 2005) "Employee Benefits" notified by the Companies (Accounting Standards) Rules, 2006 are given below:

#### (A) Defined Contribution Plans

- a) Provident Fund
- b) State defined contribution plans

- Employers' Contribution to Employees' Deposit Linked Insurance
- Employers' Contribution to Employees' Pension Scheme, 1995

The Provident Fund and the State defined contribution plan are operated by the Regional Provident Fund Commissioner Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

#### (A) Defined Benefit Plans

- a) Gratuity
- b) Leave Encashment

Gratuity is payable to employees who has rendered continuous services for more than 5 years at the rate of 15 days of service for each completed year of service or part thereof in excess of 6 months.

Leave encashment is payable to eligible employees who have earned leaves during the employment and/ or on separation as per the Company's policy.

Valuations in respect of Gratuity and Leave Encashment have been carried out by an independent actuary, as at the Balance Sheet date, based on the following assumptions:

- a) The amounts recognised in Statement of Profit & Loss /Intangible Assets Under Development are as follows:

(i) Defined Benefit Plan	Leave Encashment		Gratuity	
	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2016	Year Ended March 31, 2015
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Current service cost	12.98	7.47	8.90	4.97
Interest cost on benefit obligation	3.95	2.35	3.40	1.78
Expected return on plan assets	-	-	(3.05)	(1.44)
Net actuarial gain/(loss) recognised during the year	35.21	12.40	37.92	13.93
Current service cost	52.14	22.22	47.17	19.24
(ii) Defined Contribution Plan			Provident Fund	
			Year Ended March 31, 2016	Year Ended March 31, 2015
			(Rs. in lacs)	(Rs. in lacs)
Current service cost included in Statement of Profit & Loss /Intangible Assets Under Development			19.79	12.12

- b) The amounts recognised in the Balance Sheet are as follows:

	Leave Encashment		Gratuity	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Present value of obligation	81.44	38.13	85.13	35.15
Less: Fair value of plan assets	-	-	84.56	35.15
Net Asset(Liabilities) recognised in Balance Sheet	(81.44)	(38.13)	(0.57)	-

c) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

	Leave Encashment		Gratuity	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Opening defined benefit obligation	38.13	19.39	35.15	15.09
Interest cost	3.95	2.35	3.40	1.78
Current service cost	12.98	7.47	8.90	4.97
Benefits paid	(8.83)	(3.48)	-	(0.74)
Liabilities assumed on Acquisition/Settled on Divestiture)	-	-	-	-
Actuarial (gains)/loss on obligation	35.21	12.40	37.68	14.05
Closing defined benefit obligation	81.44	38.13	85.13	35.15

d) Changes in the fair value of plan assets are as follows:

	Leave Encashment		Gratuity	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Opening fair value of plan assets	-	-	35.15	15.09
Expected return	-	-	3.05	1.44
Contributions made by employer during the year	8.83	3.48	46.60	19.24
Benefits paid	(8.83)	(3.48)	-	(0.74)
Actuarial Gain/(Loss) on plan assets	-	-	(0.24)	0.12
Assets Acquired on Acquisition/ ( Distributed on divestiture)	-	-	-	-
Closing fair value of plan assets	-	-	84.56	35.15

	Leave Encashment (Rs. in lacs)	Gratuity (Rs. in lacs)
e) Expected contribution to defined benefit plan for next year	3.42	5 Lacs

f) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Leave Encashment		Gratuity	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
	%	%	%	%
Investments with insurer under: (a) Funds Managed by Insurer	Nil	Nil	100.00	100.00

g) The principal actuarial assumptions at the Balance Sheet date.

	Leave Encashment		Gratuity	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Discount rate	7.80%	7.85%	7.80%	7.85%
Expected rate of return on plan assets	-	-	8.25%	8.25%
Mortality Rate	Published rates under the Indian Assured Lives Mortality (2006-08)	Published rates under the Indian Assured Lives Mortality (2006-08)	Published rates under the Indian Assured Lives Mortality (2006-08)	Published rates under the Indian Assured Lives Mortality (2006-08)
Proportion of employees opting for early retirement	4% per annum withdrawal rate at all ages	4% per annum withdrawal rate at all ages	4% per annum withdrawal rate at all ages	4% per annum withdrawal rate at all ages
Retirement Age	58 Yrs	58 Yrs	58 Yrs	58 Yrs
Salary Escalation Rate	7.50%	7.50%	7.50%	7.50%

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.



## DA Toll Road Private Limited

Notes annexed to and forming part of the financial statements for year ended 31st March 2016

### 2.24 Contingent Liabilities and Commitments

Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
Estimated amount of contracts remaining unexecuted on capital account and not provided for (Net of Capital Advances)	11,88,42,87,787	16,69,05,82,337
	<b>11,88,42,87,787</b>	<b>16,69,05,82,337</b>

### 2.25 Segment Reporting

The Company operates in only one segment, namely "Toll Roads" hence there are no reportable segments under Accounting Standard 17 'Segment Reporting'.

### 2.26 Activity in Foreign Currency

Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
<b>Expenditure in foreign currency:</b>		
Professional Fees, Commitment Fee & Interest	19,83,60,502	3,41,07,120

### 2.27 Micro and small enterprises as defined under the MSMED Act, 2006

There are no Micro and Small Scale Business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

2.28 Amounts paid in earlier years towards service tax component on expenses incurred for construction and / or operation activities were accumulated for availing input service tax credit. Based on legal opinion obtained and subsequent reviews, it has been decided that input credit in respect of the same may not be available to the company, in the absence of any eligible output tax payable. Consequently, the tax credit which was hitherto being carried forward has been reversed with corresponding effect to the carrying cost of the asset of Rs. 2,94,74,537/- and respective expenses of Rs. 3,29,07,113/-.

2.29 Previous year figures have been regrouped and re-arranged wherever necessary to make them comparable to those for current year.

As per our attached report of even date

**For TR Chadha & Co LLP**

Chartered Accountants

Firm Regn. No. 006711N/N500028

**Pramod Tilwani**

Partner

Membership No. : 76650

Date: May 14, 2016

Place: Mumbai

**Kaushik Pal**  
Director & CEO  
DIN:05237230

**Madan Biyani**  
Director & CFO  
DIN:0

**Srilata Thiru Gopal**  
Company Secretary

Date: May 14, 2016  
Place: Mumbai