

IR TOLL ROAD PRIVATE LIMITED

FINANCIAL STATEMENT FOR

YEAR ENDED 31ST MARCH 2015

INDEPENDENT AUDITOR'S REPORT

To the Members of JR Toll Road (P) Ltd.

Report on the Financial Statements

1. We have audited the accompanying financial statements of JR Toll Road (P) Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and 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

2. The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; 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

3. 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

4. An audit involves performing procedures to obtain audit evidence about the amounts and 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements

5. 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

6. 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, its loss and its cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

7. 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.
8. As required by section 143(3) of the Act, we further 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 purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the applicable 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 March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act

- f. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) As per the best estimates made by the management on the basis of opinion taken, the Company is of the view that the ongoing litigations as at the reporting date would not have a material impact on its financial position;
 - ii) Based upon the assessment made by the company, there are no material foreseeable losses on its long term contracts that may require any provisioning.
 - iii) In view of there being no amount(s) required to be transferred to the Investor Education and Protection Fund for the year under audit the reporting under this clause is not applicable.

Annexure to Auditors' report

Referred to in our report of even date on the accounts of

JR Toll Road (P) Limited

for the year ended on 31st March 2015

- (i) a) In our opinion and according to the information and explanations given to us, the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) There is a phased programme for verification of fixed assets, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (ii) In our opinion, and according to the information and explanations given to us, the Company does not carry any Inventory. Hence, the reporting requirements under clause (ii) of paragraph 3 of the Order are not applicable to the Company.
- (iii) In our opinion, and according to the information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained pursuant to section 189 of the Act. Hence, the reporting requirements under sub-clause (a) and (b) of clause (iii) of paragraph 3 of the order are not applicable.
- (iv) In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for activities relating to the operation and maintenance of intangible assets for collection of toll rights. The activities of the company during the year under audit did not involve purchase of inventory and sale of goods. During the course of our audit, we have neither observed nor been informed by the management of any continuing failure to correct major weaknesses in internal controls.
- (v) In our opinion, and according to the information and explanations given to us, the company has not accepted any deposits during the period under audit. Consequently, the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed there under are not applicable.
- (vi) We have broadly reviewed the cost records maintained by the company as specified by the Central Government under section 148 (1) of the Act and are of the opinion, that prima-facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) a) According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax and other material statutory dues, as applicable, with the appropriate authorities in India;
b) According to the information and explanations given to us, there are no applicable statutory dues which have not been deposited on account of any dispute.

- c) In view of there being no amount(s) required to be transferred to the Investor Education and Protection Fund for the year under audit the reporting under this clause is not applicable.
- (viii) The accumulated losses of the company as at the Balance sheet date are more than 50% of its net worth. Further, the company has not incurred cash losses of Rs. 928.13 Lacs and Rs. 788.52 Lacs during the current as well as the immediately preceding financial year respectively.
- (ix) Based upon the audit procedures carried out by us and on the basis of the information and explanations provided by the management we are of the opinion that the company has not defaulted in repayment of dues to banks or financial institutions or debenture holders.
- (x) In our opinion, and according to the information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions. Therefore, the reporting requirements under clause (x) of paragraph 3 of the order are not applicable to the company.
- (xi) In our opinion, and according to the information and explanations given to us, the term loans have been ultimately applied for the purpose for which they are raised.
- (xii) 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 on or by the Company has been noticed or reported during the course of our audit.

JR Toll Road Private Limited
Balance Sheet as at 31st March 2015

Particulars	Note	As at March 31, 2015		As at March 31, 2014	
		₹		₹	
I. EQUITY AND LIABILITIES					
Shareholders' Funds					
Share capital	2.1	107,040		107,040	
Reserves and surplus	2.2	627,064,252	627,171,292	773,835,750	773,942,790
Share application money pending allotment	2.3		-		63,892,960
Non-current liabilities					
Long-term borrowings	2.4	4,658,087,046		4,500,567,046	
Other Long term liabilities	2.5	111,760,792		165,475,430	
Long-term provisions	2.6	473,740	4,770,321,578	465,463	4,666,507,939
Current liabilities					
Short-term borrowings	2.7	-		-	
Trade payables	2.9	59,236,037		50,263,908	
Other current liabilities	2.8	66,740,049		74,800,580	
Short-term provisions	2.9	84,816	126,060,902	76,303	125,140,791
Total			5,523,553,772		5,629,484,480
II. ASSETS					
Non-current assets					
Fixed Assets					
Tangible assets	2.10	4,618,469		4,522,561	
Intangible assets	2.11	4,977,414,841		5,107,259,391	
Intangible assets under development	2.12	465,901,957	5,447,935,267	434,723,300	5,546,505,252
Long-term loans and advances	2.13		-		9,324,518
Current Assets					
Cash and Cash Equivalents	2.14		21,826,915		11,137,502
Short-term loans and advances	2.15		53,791,590		62,517,207
Total			5,523,553,772		5,629,484,480
Significant Accounting Policies and Notes on Financial Statement	1 & 2				

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

For MKPS & Associates

Chartered Accountants
Firm Regn. No. 302014E

For and on behalf of the Board

Narendra Khandal
Partner
Membership No. : 065025

Mayank Jain
Director

Madan Biyani
Director

Place: Mumbai
Date:

Place: Mumbai
Date:

JR Toll Road Private Limited**Statement of Profit and Loss for the Year ended 31st March 2015**

Particulars	Note	Year ended	Year ended
		March 31, 2015	March 31, 2014
		₹	₹
Revenue			
Revenue from operations	2.16	410,570,052	253,546,263
Other income	2.17	2,130,202	951,391
Total Revenue		412,700,254	254,497,654
Expenses			
Employee benefit expenses	2.18	4,412,260	3,947,292
Other expenses	2.19	58,487,233	46,366,072
Finance costs	2.20	442,614,349	283,036,564
Depreciation and amortisation expenses	2.11, 2.12	130,457,910	79,556,732
Total Expenses		635,971,752	412,906,661
Profit before Tax		(223,271,498)	(158,409,007)
Tax Expenses			
Current Tax		-	-
Deferred Tax			
Income Tax for earlier years (net)			
		-	-
Profit (Loss) after Tax		(223,271,498)	(158,409,007)
Earnings Per equity share (Face Value of ₹ 10 per share)			
Basic & Diluted		(20,858.70)	(14,799.05)

Significant Accounting Policies and Notes on Financial Statement

1 & 2

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

For MKPS & AssociatesChartered Accountants
Firm Regn. No. 302014E

For and on behalf of the Board

Narendra KhandalPartner
Membership No. : 065025**Mayank Jain**

Director

Madan Biyani

Director

Place: Mumbai

Date:

Place: Mumbai

Date:

JR Toll Road Private Limited
Cash Flow Statement for the Year ended 31st March 2015

Particulars	Year ended March 31, 2015 ₹	Year ended March 31, 2014 ₹
A Cash Flow from/ (used in) Operating Activities		
Profit before Taxation	(223,271,498)	(158,409,007)
Adjustments for:		
Depreciation	130,457,910	79,556,732
Interest and Finance Charges	442,614,349	283,036,564
Interest Income		
Dividend Income	(1,534,305)	(951,391)
Operating Profit before Working Capital Changes	348,266,456	203,232,898
Adjustments for:		
Trade and Other receivables	18,050,135	-
Trade and Other Payables	8,988,919	-
	375,305,509	203,232,898
Income Taxes Paid (Net of refund)	-	-
Net Cash Generated from/ (used in) Operating Activities	375,305,509	203,232,898
B Cash flow from Investing Activities		
Purchase/ Acquisition of fixed assets	(93,663,093)	(820,166,402)
Sale of investments	-	4 91 64 094
Dividend Income	15 34 305	9 51 391
Net Cash used in investing activities	(92,128,788)	(770,050,917)
C Cash flow from/ (used in) Financing Activities		
Repayment of Share Application Money	(63,892,960)	(575,907,046)
Proceeds from Long term borrowings	157,520,000	105 73 27 046
Proceeds (net) from Short term borrowings	-	(22,500,000)
Interest and Finance Charges	(442,614,349)	(283,036,564)
Grant from NHAI	76,500,000	280,834,000
Net cash generated from Financing Activities	(272,487,309)	456,717,436
Net (Decrease)/ Increase in Cash and Cash equivalents	[A+B+C] 10,689,413	(110,100,583)
Cash and Cash equivalents as at the commencement of the year (Opening Balance)	11,137,502	121,238,085
Cash and Cash equivalents as at the end of the year (Closing Balance)	21,826,915	11,137,502
Net (Decrease)/ Increase in Cash and Cash equivalents	10,689,413	(110,100,583)

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 MKPS & Associates
Chartered Accountants
Firm Regn. No. 302014E

For and on behalf of the Board

Narendra Khandal
Partner
Membership No. : 065025

Mayank Jain
Director

Madan Biyani
Director

JR Toll Road Private Limited

Significant Accounting Policies and Notes to Financial statements forming part of accounts for year ended 31st March 2015

INTRODUCTION:

The Company has been awarded on Build, Operate and Transfer (BOT) basis, strengthening of the existing carriageway from 246 Km. to 298 Km. on the Jaipur – Reengus section of National Highway No. 11 in the State of Rajasthan and widening thereof to 4 lanes and its improvement, operation and maintenance under the Concession Agreement dated February 19, 2010 with National Highways Authority of India. The Concession Agreement is for a period of 18 years from August 14, 2010, being the appointed Date.

1.0 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 Disclosure

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 Recognition & Accounting of Grant:

Grants / Capital contributions are recognized in financial statements when there is a reasonable assurance that the underlying conditions have been complied and grant will be received.

In accordance with Accounting Standard – 12 "Accounting for Government Grants" issued by ICAI, grants received from government authorities in the nature of promoters contribution towards meeting the capital cost of the project are treated as capital reserves.

1.4 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 year. 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 year in which the results are known / materialized.

1.5 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 Asset under Development. 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.

1.6 Investments :

Investments which are readily realizable 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.

1.7 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.

1.8 Revenue Recognition :

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

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

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

1.9 Depreciation And Amortization :

Depreciation on Fixed 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 amortized 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. Amortization 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.

1.10 Employee Benefits :

Contributions to defined contribution schemes such as provident fund, superannuation funds etc. are charged to Statement of Profit and Loss / Capital Work-in-Progress, 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 / Capital Work-in-Progress, as applicable, based on actuarial valuations, as at the balance sheet date, made by independent actuaries. Actuarial gain and loss is recognized in the Statement of Profit and Loss / Capital Work-in-Progress, as may be applicable.

1.11 Accounting for Taxes on Income :

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 recognized 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 recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future.

1.12 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.

1.13 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.

1.14 Provisions :

Provisions are recognised when the Company has a present 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.

1.15 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.

JR Toll Road Private Limited
Notes to Financial Statement for the year ended 31st March 2015
Note 2.1 Share Capital
Particulars

	March 31, 2015 ₹	March 31, 2014 ₹
Authorized		
Equity Shares of ₹ 10 each		
64,00,000 (64,00,000) equity shares	64,000,000	64,000,000
	64,000,000	64,000,000
Issued, Subscribed and Paidup		
Equity Shares of ₹ 10 each		
10704 (10704) equity shares	107,040	107,040
	107,040	107,040
Reconciliation of shares		
No. of shares at the beginning of the year	10,704	10,704
Add : No. of Shares Issued during the year	-	-
No. of Shares at the end of the year	10,704	10,704

Details of Shareholders holding more than 5% of shares :

Name of the shareholders	No. of Shares	%	No. of Shares	%
Reliance Infrastructure Limited	5,138	48%	5,138	48%
AAA Communication Private Limited	2,783	26%	2,783	26%
Jiangsu Provincial Transportation Engineering Group Co.,Ltd	2,783	26%	2,783	26%

Note 2.2 Reserves and Surplus

Grant Received from NHAI				
Opening Balance	932,480,000		651,646,000	
Addition during the year	76,500,000		280,834,000	
Closing Balance		1,008,980,000		932,480,000
Surplus as per Statement of Profit & Loss				
Opening Balance	(158,644,250)		(235,243)	
Net Profit/(loss) for the year	(223,271,498)		(158,409,007)	
Closing Balance		(381,915,748)		(158,644,250)
		627,064,252		773,835,750

Note 2.3 Share Application Money Pending Allotment

Share application money pending allotment	-	63,892,960
	-	63,892,960

JR Toll Road Private Limited**Notes to Financial Statement for the year ended 31st March 2015**

	March 31, 2015 ₹	March 31, 2014 ₹
Note 2.4 Long Term Borrowings		
Secured		
Term loans from Banks	3,753,780,000	3,812,160,000
Unsecured		
Sub Ordinate Debts from Reliance Infrastructure Limited	904,307,046	688,407,046
	<u>4,658,087,046</u>	<u>4,500,567,046</u>
Note 2.5 Other Long Term Liabilities		
Retention Payable to creditors		
- Related Parties	111,760,792	141,184,696
- Others	-	24,290,734
	<u>111,760,792</u>	<u>165,475,430</u>
Note 2.6 Long Term Provisions		
Provision for employee benefit		
Leave Encashment	473,740	465,463
Gratuity	-	-
	<u>473,740</u>	<u>465,463</u>

JR Toll Road Private Limited**Notes to Financial Statement for the year ended 31st March 2015**

	March 31, 2015	March 31, 2014
	₹	₹
Note 2.7 Trade Payables		
Trade Payables	59,236,037	50,263,908
(Amount due to MSME Nil)		
	59,236,037	50,263,908
Note 2.8 Other current Liabilities		
Current maturities of long-term debts	58,380,000	58,380,000
Other Current Liabilities(Including statutory dues)	8,360,049	16,420,580
	66,740,049	74,800,580
Note 2.9 Short Term Provisions		
Provision for leave encashment	84,816	21,427
Provision of Income Tax/MAT (Net of Advance Income Tax)	-	54,876
	84,816	76,303

JR Toll Road Private Limited

Notes to Financial Statement for the year ended 31st March 2015

Note 2.10 Tangible Assets

Particulars	Gross Block			Depreciation/Amortisation			Net Block	
	As at April 1, 2014	Additions	As at March 31, 2015	As at April 1, 2014	Additions during the period	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Land		-	-		-	-	-	-
Buildings	2,262,720		2,262,720	10,610	45,254	55,864	2,206,856	2,252,110
Plant & Machinery	453,700	106,056	559,756	161,421	290,620	452,041	107,715	292,279
Office Equipments	1,796,563	25,425	1,821,988	493,721	244,787	738,508	1,083,480	1,302,842
Furniture and Fixtures	891,513	631,204	1,522,717	216,183	86,116	302,299	1,220,419	675,330
Computer	-	-	-	-	-	-	-	-
Vehicles		-	-		-	-	-	-
Total Tangible Assets	5,404,496	762,685	6,167,181	881,935	666,777	1,548,712	4,618,469	4,522,561

Note 2.11 Intangible Assets

Particulars	Gross Block			Depreciation			Net Block	
	As at April 1, 2014	Additions	As at March 31, 2015	As at April 1, 2014	Additions during the period	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Computer Software	147,188	(0)	147,188	138,884	945	139,829	7,359	8,304
Toll Collection Rights	5,186,649,364	-	5,186,649,364	79,398,277	129,843,605	209,241,882	4,977,407,482	5,107,251,087
Total Intangible Assets	5,186,796,552	(0)	5,186,796,552	79,537,161	129,844,550	209,381,711	4,977,414,841	5,107,259,391

JR Toll Road Private Limited

Notes to Financial Statement for the year ended 31st March 2015

	March 31, 2014	Incurred during the Period	March 31, 2015
	₹	₹	₹
Note 2.12 Intangible Assets Under Development			
A) Assets under Construction Pending Allocation			
Project Contract Expenses	403,304,768	(9,149,079)	394,155,689
Total A	403,304,768	(9,149,079)	394,155,689
B) Incidental Expenses related to development of intangible assets			
Salaries, Bonus and Other Allowances	204,224	383,675	587,899
Project Execution Support Services	1,728,864	180,000	1,908,864
Electricity Expenses	205,039	146	205,185
Insurance Charges	45,036	191,468	236,504
Travelling & Conveyance	360,751	25,046	385,797
Vehicle expenses		(36,852)	(36,852)
Auditors' Remuneration			
For Audit Fees	23,500	28,000	51,500
For Certification Charges	7,840	6,520	14,360
Rent, Rate & Taxes	7,947	5,480	13,427
Legal And Professional Charges	5,488,063	792,949	6,281,012
Other Miscellaneous Expenses	243,385	209,642	453,027
Interest Cost	23,103,692	35,452,989	58,556,681
Other Finance Charges			
Upfront Fees		3,024,744	3,024,744
Bank Charges	191	226	417
Depreciation		53,418	53,418
Total B	31,418,532	40,327,736	71,746,268
C) Other Income			
Less : Other Income	-	-	-
Total C	-	-	-
Total D = B - C	31,418,532	40,327,736	71,746,268
Grand Total (A+D)	434,723,300	31,178,657	465,901,957

JR Toll Road Private Limited**Notes to Financial Statement for the year ended 31st March 2015**

	March 31, 2015	March 31, 2014
	₹	₹
Note 2.13 Long Term Loans and Advances		
Capital advance	-	3,433,551
Prepaid Expenses	-	707,409
Others	-	5,183,558
	<u>-</u>	<u>9,324,518</u>
Note 2.14 Cash and Bank Balance		
Cash and Cash Equivalents		
Balances with banks		
In Current Accounts	20,671,170	9,881,732
Cash on hand	1,155,745	1,255,770
	<u>21,826,915</u>	<u>11,137,502</u>
Note 2.15 Short Term Loans and Advances		
Advance to Vendors	2,000,000	3,433,551
Advance Income Tax (Net of Provision)	11,983,688	17,389,022
Advance recoverable in cash or in kind or for value to be received	39,260,232	41,512,487
Security deposits	20,000	20,000
Prepaid Expenses	527,670	82,959
Advance to Employees	-	79,188
	<u>53,791,590</u>	<u>62,517,207</u>

JR Toll Road Private Limited**Notes to Financial Statement for the year ended 31st March 2015**

	March 31, 2015	March 31, 2014
	₹	₹
Note 2.16 Revenue from Operations		
Sale of services - Toll Collection	410,570,052	253,546,263
	410,570,052	253,546,263
Note 2.17 Other Income		
Dividend Income	1,534,305	951,391
Interest Received	587,597	
Other Income	8,300	-
	2,130,202	951,391
Note 2.18 Employee benefit expenses		
Salaries and Wages	4,049,220	3,095,822
Contribution to Provident Fund and Other Fund	190,947	205,266
Contribution to Gratuity Fund	172,093	-
Staff welfare expenses	-	646,204
	4,412,260	3,947,292
Note 2.19 Other Expenses		
Toll Operation & Maintenance Expenses	38,851,148	28,089,892
Electricity Expenses	4,538,723	2,357,948
Insurance	2,201,881	2,128,375
Travelling & Conveyance	968,239	4,253,301
Auditors' Remuneration		
- Audit Fees	322,000	270,250
- Certification Fees	74,980	90,160
- Out of Pocket Expenses	460	-
Rent, Rates & Taxes	-	126,228
Legal and Professional Charges	9,118,915	6,241,651
Other Miscellaneous Expenses	2,410,887	2,808,268
	58,487,233	46,366,072
Note 2.20 Finance Costs		
Interest expense	407,709,378	283,036,564
Other finance charges	34,904,971	
	442,614,349	283,036,564

JR Toll Road Private Limited

Notes to Financial Statement for the year ended 31st March 2015

2.21 Retirement Benefits:

Disclosure as required by Accounting Standard (AS) - 15 (Revised 2005) "Employee Benefits" issued by ICAI as 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, 2015	Year Ended March 31, 2014	Year Ended March 31, 2015	Year Ended March 31, 2014
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Current service cost	1.62	2.58	1.15	1.90
Interest cost on benefit obligation	0.56	0.76	0.49	0.63
Expected return on plan assets	-	-	(0.57)	(0.57)
Net actuarial gain/(loss) recognised during the year	(0.27)	(3.77)	0.84	(4.07)
Effect of the limit in Para 59(b)			(0.15)	0.15
Current service cost	1.91	(0.43)	1.76	(1.96)

(ii) Defined Contribution Plan	Provident Fund	
	Year Ended March 31, 2015	Year Ended March 31, 2014
	(Rs. in lacs)	(Rs. in lacs)
Current service cost included in Statement of Profit & Loss /Intangible Assets Under Development	1.72	2.97

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

	Leave Encashment		Gratuity	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Present value of obligation	5.59	4.87	5.30	4.43
Less: Fair value of plan assets	-	-	5.93	6.97
Amount not recognized as an Assets				0.15
Net Asset(Liabilities) recognised in Balance Sheet	(5.59)	(4.87)	0.63	(2.39)

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, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Opening defined benefit obligation	4.87	7.10	4.43	5.98
Interest cost	0.57	0.76	0.49	0.63
Current service cost	1.62	2.58	1.15	1.90
Benefits paid	(1.20)	(1.80)	(1.55)	-
Liabilities assumed on Acquisition/Settled on Divestiture)	-	-	-	-
Actuarial (gains)/loss on obligation	(0.27)	(3.77)	0.78	(4.08)
Closing defined benefit obligation	5.59	4.87	5.30	4.43
d) Changes in the fair value of plan assets are as follows:				
	Leave Encashment		Gratuity	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Opening fair value of plan assets	-	-	6.97	6.41
Expected return	-	-	0.57	0.57
Contributions made by employer during the year	1.20	1.80	-	-
Benefits paid	(1.20)	(1.80)	(1.55)	-
Actuarial Gain/(Loss) on plan assets	-	-	(0.06)	(0.01)
Assets Acquired on Acquisition/ (Distributed on divestiture)	-	-	-	-
Closing fair value of plan assets	-	-	5.93	6.97
e) Expected contribution to defined benefit plan for next year				
	Leave Encashment (Rs. in lacs)		Gratuity (Rs. in lacs)	
	0.22		Nil	
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, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
	%	%	%	%
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, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
Discount rate	7.85%	8.90%	7.85%	8.90%
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.				

JR Toll Road Private Limited
Notes to Financial Statement for the year ended 31st March 2015

2.22 Earning per Share

Particulars	In Rs.	
	Year ended March 31, 2015	Year Ended March 31st, 2014
Basic / Diluted Earning Per Share:		
Profit after taxation as per Profit and Loss Account	(A) (223,271,498)	(158,409,007)
Weighted average number of Equity Shares Outstanding	(B) 10,704	10,704
Basic/Diluted Earning Per Share (in Rupees)	(A)/(B) (20,858.70)	(14,799.05)
Nominal value of equity share (in Rupees)	10.00	10.00

JR Toll Road Private Limited
Notes to Financial Statement for the year ended 31st March 2015

2.24 Contingent Liabilities and Commitments

Particulars	March 31, 2015	31-Mar-14
	Amount in Rs	
Estimated amount of contracts remaining unexecuted on capital account and not provided for (Net of Capital Advances)	-	3,664,162
	-	3,664,162

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 In the opinion of the management, the Current Assets, Loans and Advances and Current Liabilities are approximately of the value stated, if realised / paid in the ordinary course of business. The provision for all known liabilities is adequate and is not in excess of amounts considered reasonably necessary.

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, 2014. 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.

As per our attached report of even date

For MKPS & Associates
Chartered Accountants
Firm Regn. No. 302014E

Narendra Khandal
Partner
Membership No. : 065025

Place: Mumbai
Date:

For and on behalf of the Board

Mayank Jain
Director

Place: Mumbai
Date:

Madan Biyani
Director