



Indore Dewas Tollways Ltd

6th Annual Report 2015-16



“Infrastructure is the life line of an economy and we add our bit to it”

CORPORATE INFORMATION**BOARD OF DIRECTORS**

Mr. J. Brij Mohan Reddy	Director
Mr. T.V. Sandeep Kumar Reddy	Director
Mr. Ch. Harivithal Rao	Director
Mr. M. V. Narasimha Rao	Director
Mr. Sachin Gupta	Director

REGISTERED & CORPORATE OFFICE

6-3-1090, B-1,
TSR Towers, Rajbhavan Road,
Somajiguda,
Hyderabad – 500 082, Telangana.
CIN: U45200TG2010PLC068238

AUDITORS

M/s. Gianender & Associates
Chartered Accountants
Plot No.21, Site No.6, Geeta Mandir Marg,
New Rajinder Nagar,
New Delhi – 110 060.

PROJECT LENDERS

Union Bank of India, Hyderabad
Punjab National Bank, Hyderabad
State Bank of Hyderabad, Hyderabad
India Infrastructure Finance Co. Ltd., New Delhi

CONCESSIONING AUTHORITY

NATIONAL HIGHWAYS AUTHORITY OF INDIA
G – 5 & 6, Sector – 10,
Dwarka, New Delhi – 110 075.

BOARDS' REPORT

To

The Members,

Your Directors have immense pleasure in presenting the 6th Annual Report of your Company and the Audited Financial Statements for the year ended 31st March, 2016.

1. FINANCIAL SUMMARY:

The following table depicts the financial results of your Company for the year ending 31st March 2016:

S. No.	Particulars	For the year ended 31.03.2016 (Rs.)	For the year ended 31.03.2015 (Rs.)
1)	INCOME		
	Income from Operations	32.71	-
	Other Operating Income	8.78	
	Other Income	0.98	0.00348
	TOTAL	42.47	0.00348
2)	EXPENDITURE		
	Employee Benefits Expense	1.58	
	Finance Costs	51.51	
	Depreciation & Amortization expense	10.60	
	Operations & Maintenance Expenses	3.32	
	Periodic Maintenance Expenses	2.85	
	Other Operating Expense	8.78	
	Other Expenses		0.01
	TOTAL	78.65	0.01
3)	PROFIT / (LOSS) BEFORE TAX	(36.17)	(0.0048)
	Provision for Taxation:		
	- Current Tax		
4)	PROFIT / (LOSS) AFTER TAX	(36.17)	(0.0048)
	Less: Prior Period adjustments		
5)	PROFIT / (LOSS) AFTER PRIOR PERIOD ITEMS	(36.17)	(0.0048)
	Add: Balance brought forward from previous year		
6)	BALANCE CARRIED TO BALANCE SHEET	(36.17)	(0.0048)
	Earning (Loss) per Share – Basic & Diluted	(7,234.98)	(0.96)

2. THE YEAR IN RETROSPECT

According to the Concession Agreement, the Company is collecting Toll/User fees from the Appointed Date ie 1st September, 2011 from the existing 4-lane road during the construction period, and the same has been Utilised towards the Construction of the Project Highway. The project has achieved Provisional Completion Certificate on 29th May, 2015. The Supplementary Agreement was signed dated 22nd May, 2015. The Construction of the New Toll Plaza has been completed and has been fully operational with all the equipment in the current Financial Year. The Company has successfully completed the infrastructure required for the commencement of the Electronic Tolling system for 2 lanes of the Toll Plaza A & 2 lanes of Toll Plaza B as part of the change of scope work awarded by NHAI. However the ETC lanes are yet to be operational. The Company has also successfully implemented Electronic Data Interchange for the real time exchange of Toll data to the Central server of NHAI.

Decline in Toll collections, Non-payment of Additional Concession fees (Premium) to NHAI & Restructuring of Debt:

The current year has been a very crucial year for your company. As you are already aware, due to Lower toll collections the company is unable to service the debt and interest obligations towards the lenders. The Company has collected a toll fee of Rs. 39,23,13,042/- for the period 1st April, 2015 to March 31st, 2015. The Toll collections upto 28th May, 2015 which are utilized for the construction of the Project Highways are Capitalized to the Intangible Asset under Construction. The Toll Collections from 29th May, 2015 are recorded as income to the Statement of Profit and Loss.

The company has estimated/ projected the toll collections based on the traffic in anticipation of the development of the adjoining and connecting stretches and the growth rates anticipated as per the planning commission report. In the Current Financial Year below developments have happened:-

- (i) The Stretch of Ghar – Dewas has been abandoned by the IVRCL. Because of which, the traffic coming from Ahmedabad has abandoned the Indore – Dewas Stretch. Consequently, the toll collections have substantially reduced – The traffic from the west is cut off consequently resulting in low toll revenues.

The Balance works in this stretch have been commenced by IVRCL, and the work will be completed by September'2016.

- (ii) The Stretch of Gwalior – Shivpur – Dewas Highway is totally dilapidated with no maintenance, due to which the entire traffic, which normally passes through Shivapuri – Guna – Shajapur – Dewas, is now taking the alternate route resulting in reduced traffic on the Indore – Dewas Stretch. As NHAI has failed in the execution of the 2-4 laning road from Shivpuri – Dewas, which was awarded to GVK, the entire stretch of 467 Kms is in a dilapidated condition and not road-worthy for heavy vehicles. The traffic from the north is totally cut off resulting in low toll revenues.

NHAI has now awarded the above works to three Developers on EPC basis as below

1. Ircan Ltd,
2. Oriental Company and
3. Dileep Buildcon Ltd.

The above road is well maintained now. The work is expected to be completed within a period of 30 months. It may be completed by 2020. After the completion of the above work the revenue for the project highway is expected to increase substantially.

- (iii) At NH-3 throughout the road from Guna to Dewas 40% of top surface (Bitumen Carpet) was damaged and every 50mtrs is riddled with pot holes (1 to 2 feet) and are throughout the road up to Guna, Which has resulted in diversion of traffic away from NH-3.

The maintenance of this road is yet to be started.

- (iv) At Makshi Railway Gate, a low height barrier has recently been installed by the Railway Authorities. Due to this barrier, heavy motor vehicles prefer to go by some other route – resulting in revenue loss.

The ROB work is yet to be started.

- (v) Due to toll rate variation between toll A and toll B most of the vehicles are passing through Toll B. Also the heavy vehicles are getting diverting to this road thereby reducing the Toll Revenue.

As you are aware, NHAI has approved for the deferment of premium vide their letter dated: 11th June, 2015, whereby the premium payable to NHAI is deferred for 6 years starting from 2013-14 (ie., November 2013 onwards) and will be reviewed after the 6th year.

As per the terms of the Approved Restructuring package wef 1st July, 2014, the Principal repayment obligations for Term loan I & Funded Interest Term loan to the lenders begin from the FY 2017-18 after a moratorium of 33 months.

In the current financial year the company has availed the additional term of Rs. 40 crs to the extent of Rs. 31.12 crs from Union bank of India, Punjab National Bank, State bank of Hyderabad. The balance amount of Rs. 8.33 crs is yet to be availed from IIFCL which is proposed to be done as and when NHAI gives the balance ROW.

The Company has achieved 95.33% of Physical progress of work upto March 2016. The Routine Maintenance works are being carried out by the EPC Contractor as per the terms of the Agreement entered with them.

Balance Works to be completed after PCC:

- a) New change of scope works are completed to the extent of Rs. 18.11 crs out the total of Rs. 34.96 crs approved by NHAI.
- b) For the completion of the balance punch list items, ROW has not been handed over by NHAI with respect to the shifting of the main water pipeline (which supplies drinking water to Indore) at Km 12+400, and for widening and reconstruction of box culverts at km 4+930, and so the associated works on approaches, drains, service roads etc are held up due to the above structures.

The shifting of the water pipe line at Km 12+400 the Rau circle has been approved by NHAI and the same has been entrusted to The Commissioner, Indore Municipal Corporation. NHAI has remitted the supervision charges for the same and has communicated to the Indore Municipal Corporation vide their letter NHAI/PIU/IND/I-D/US/2014/2063 dated: 15th Dec, 2014.

- c) Execution of substantial works comprising of a flyover at chainage 12+400, a PUP at 4+930 and other associated miscellaneous works costing approximately Rs.12 crs (which forms part of the EPC cost of Rs. 475 crs) are on hold due to abnormal delay in decision making by NHAI as under.

(i) Flyover @12+400 Main raw water pipeline to Indore passes through the site of flyover. Indore Municipal Corporation objected to construction of flyover. Due to the delay on the part of NHAI in handing over of Right of way, no work on this flyover could commence so far.

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

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

3. FUTURE OUTLOOK

The Company has attained PCC on 29th May, 2015. We are glad to inform that the toll collections have improved from an average of Rs. 9.5 lacs per day in the month of Aug 2015 to Rs. 12.28 lacs per day in the month of March 2016. The Toll Collections have to further improve to support the debt obligations to the lenders.

The company is expecting the toll revenues to increase substantially in the FY: 2018-19 on account of the developments in the adjoining stretches ie., Gwalior – Shivpuri - Dewas highway & the Ghar Dewas.

There is an escalation in the cost of the project under the heads of EPC Cost, Interest during construction, Preliminary and Preoperative expenditure due to the delays on the part of NHAI in the declaration of the Appointed date by 9 months, delays in shifting of Utilities, delays in approvals of change of scope works.

4. EXTRACT OF ANNUAL RETURN

The Extracts of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 and the same is enclosed as -Annexure-1.

5. BOARD MEETINGS

During the year ended 31st March, 2016, Four Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The dates on which the Board meetings were held are 20.05.2015, 26.08.2015, 08.12.2015 and 22.03.2016.

Attendance of Directors at the meetings:

The details of the attendance of the Directors at the Board meetings held during the year ended 31st March, 2016.

Name of the Director	Number of Board Meetings	
	Held	Attended
J. Brij Mohan Reddy	4	4
Ch. Harivithal Rao	4	4
M.V. Narasimha Rao	4	4
T.V. Sandeep Kumar Reddy	4	3
Nishit Sharma	3	2
Dheeraj Kumar Singh	1	0
P. Sambhasiva Rao	1	0

Audit Committee Meetings

During the year ended 31st March, 2016, one Audit Committee Meeting was convened and held. The date on which the Audit Committee meeting was held is 20.05.2015.

Attendance of Directors at the meetings:

The details of the attendance of the Directors at the Audit Committee meetings held during the year ended 31st March, 2016:

Name of the Director	Number of Audit Committee Meetings	
	Held	Attended
M.V. Narasimha Rao	1	1
Ch. Harivithal Rao	1	1
J. Brij Mohan Reddy	1	1

6. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies and applied them consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Ch. Harivithal Rao and Mr. M.V. Narasimha Rao were appointed as Directors of the Company in the category of Independent Directors in the AGM held on 26.08.2015.

Mr. M.V. Narasimha Rao was re-appointed as Director of the Company in the category of Independent Director for the second term with effect from 3rd March, 2016 up to 2nd March, 2021 in the Board meeting held on 22.03.2016.

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

Mr. P. Sambhasiva Rao was appointed as Additional Director of the Company with effect from 26th August, 2015.

Mr. P. Sambhasiva Rao has resigned as Director of the Company with effect from 8th December, 2015.

Mr. Nishit Sharma has resigned as Director of the Company with effect from 10th December, 2015.

The Board of Directors had appointed Mr. Dheeraj Kumar Singh as Additional Directors of the Company effect from 22nd March, 2016.

Mr. Dheeraj Kumar Singh has resigned as Director of the Company with effect from 05.04.2016.

8. DECLARATION BY INDEPENDENT DIRECTORS

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

9. RE-APPOINTMENTS

Mr. J. Brij Mohan Reddy, Director of the Company is retiring by rotation and being eligible, offers himself for re-appointment.

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

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

11. AUDITORS REPORT

EXPLANATORY NOTES TO THE QUALIFICATIONS IN THE AUDITORS' REPORT

Interest on Additional Concession Fees payable to NHAI

The Statutory Auditor has qualified his Audit Report with regard to Accounting Standard 29 (AS – 29), “Provisions, Contingent Liabilities & Contingent Assets”, and has mentioned that a provision of Rs. 4,74,76,142/- have not been provided in the Annual Accounts of the Company. The said amount is on account of Interest on Additional Concession fees payable to NHAI which is now deferred.

Your Company disagrees with the Statutory Auditor's interpretation and explains the facts as below:

Additional Concession fee has to be paid to National Highways Authority of India as per clause 26.2.1 of the Concession Agreement dated 17th May, 2010. National Highways Authority of India has granted deferment of Additional concession fees payable to them vide their sanction letter dated 11th June, 2014. Interest on the Additional concession fees payable to National Highways Authority of India for the FY 15-16 is not provided in the books of accounts as National Highways Authority of India has deferred the

premium payment upto 6 years. The Interest liability on Additional Concession fees is neither accrued nor due until the completion of the 6 years, upto which NHAI has deferred the premium. After the completion of the 6th year, NHAI will review the deferment of premium payment, based on the cash flows available then. The Interest liability accrues and becomes due as and when there are cash flows sufficient for the payment. At the end of the 6th year based on the the cash flow position, National Highways Authority of India will review the deferment proposal and may extend the deferment, if the cash flows are not sufficient to meet the debt and O&M obligations.

There is a decline in the Toll collections due to the non maintenance of the adjoining stretches of the project highway ie., Shivpuri to Dewas & Ghar to Dewas. The development of those stretch were stalled due to issues between the National Highways Authority of India and the developer to whom the projects were awarded. Now Shivpuri - Dewas project has been reawarded on EPC basis to new developers, which are expected to be completed within a period of 3-4 years from now. Till such time the revenues from the Toll collections seem bleak and no surplus cash flows are being expected after debt obligations, so as to pay the Additional Concession fees to National Highways Authority of India or Interest thereon. In view of the total stress in the Funds flow, the management has considered that the liability accrues and becomes due as and when the cash flows are sufficient for the payment as explained above.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

14. TRANSFER OF AMOUNT TO RESERVES

The Company does not propose to transfer any amount to the general reserve for the Financial Year ended 31st March, 2016.

15. DIVIDEND

The Board of Directors does not recommend any dividend on the Equity Shares for the financial year ended 31st March, 2016.

16. MATERIAL CHANGES AND COMMITMENTS

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

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

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

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

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

The source of income for your Company is Toll collections which is completely dependent on the traffic on the highway. There has been a significant decline in the toll collections due to the deteriorating condition of the adjoining roads to the Indore Dewas Highway as mentioned in point no 2 above. The same is expected to be maintained/developed in the next 3 years and the traffic is expected to substantially grow from the FY: 2018-19. NHAI has approved the deferment for payment of Additional concession fees upto a period of 6 years which will be reviewed annually. The company has mitigated the financial risk as the lenders have approved the restructuring of the term loan upto FY 2017-18. The immediate financial burden of interest and premium payment is shifted to the future, expecting the substantially growth in toll from the Financial Year 2018-19 onwards.

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

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

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

20. BOARD EVALUATION

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

21. SUBSIDIARY COMPANIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATE COMPANIES

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

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

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

22. CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

24. DEPOSITS

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

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

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

26. STATUTORY AUDITORS

At the Annual General Meeting held on 26th August, 2015, M/s. Gianender & Associates, Chartered Accountants, New Delhi bearing ICAI Regn. No. 004661N, were appointed as statutory auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2020. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting.

Accordingly, the appointment of M/s. Gianender & Associates, Chartered Accountants, New Delhi bearing ICAI Regd.No.004661N, as statutory auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

27. PARTICULARS OF EMPLOYEES

There are no employees in the Company who are drawing prescribed salary pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

28. VIGIL MECHANISM

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

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

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

30. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

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

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

31. ACKNOWLEDGEMENTS

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

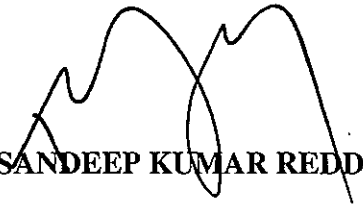
For and on behalf of the Board



J. B. MOHAN REDDY

Director

DIN:00012927



T. V. SANDEEP KUMAR REDDY

Director

DIN:00005573

Place: **Hyderabad**

Date: **23rd May, 2016**

Form No. MGT-9

Annexure-1

EXTRACT OF ANNUAL RETURN
as on the financial year ended 31.03.2016
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:	
CIN	U45200TG2010PLC068238
Registration Date	04/05/2010
Name of the Company	INDORE DEWAS TOLLWAYS LIMITED
Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non Government Company
Address of the Registered Office and contact details	6-3-1090, B-1, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana. E Mail: rajkumar@givl.co.in , Tel: 040-23310330
Whether listed company	Unlisted
Name, address and contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICES PVT. LTD. Branch Office: 306, Right Wing, Amrutha Ville, Opp, Yasodha Hospital, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana. E Mail: bsshyd@bigshareonline.com , Tel: 040- 2337 4967

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

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

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IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	-	10	10	0.02	-	10	10	0.02	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	33,320	16,660	49,980	99.96	33,320	16,660	49,980	99.96	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	33,320	16,660	49,990	99.98	33,320	16,660	49,990	99.98	0
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	-	0	0	0	-	0	0	0	0
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	33,320	16,660	49,990	99.98	33,320	16,660	49,990	99.98	0
B. Public Shareholding									
(1) Institutions									
-a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Vennure Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	0	0	0	0	0	0	0	0	0
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	10	10	0.02	-	10	10	0.02	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	0	10	0.02	-	0	10	10	0.02	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	10	0.02	-	0	10	10	0.02	0
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	33,320	16,680	50,000	100	33,320	16,680	50,000	100	0

ii) Shareholding of Promoters

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

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

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

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

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

(v) Shareholding of Directors and Key Managerial Personnel:

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

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	483.05	70.25		553.30
ii) Interest due but not paid	0.64			0.64
iii) Interest accrued but not due				
Total (i+ii+iii)	483.69	70.25		553.94
Change in Indebtedness during the financial year				
Addition	145.22			145.22
Reduction	66.95			66.95
Net Change	78.27			78.27
Indebtedness at the end of the financial year				
i) Principal Amount	561.90	70.25		632.15
ii) Interest due but not paid	0.06			0.06
iii) Interest accrued but not due				
Total (i+ii+iii)	561.96	70.25		632.21

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
1.	Gross Salary	-	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	--
4.	Commission as % of profit	-	-	-
	others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	-	-	-

B. Remuneration to other directors:

1. Independent Directors

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. Ch. Harivithal Rao	Mr. M.V. Narasimha Rao	
	-Fee for attending Board/Committee Meetings	Rs. 28,625/-	Rs. 28,625/-	Rs. 57,250/-
	-Commission			
	- Others, please specify			
	Total (B)(1)			

2. Other Non Executive Directors

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


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

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

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

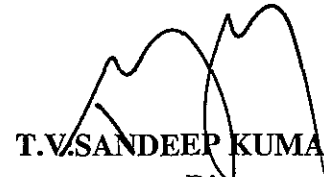
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-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

For and on behalf of the Board


J. BRIJ MOHAN REDDY

Director

DIN:00012927


T.V. SANDEEP KUMAR REDDY

Director

DIN:00005573

Place: Hyderabad

Date: 23rd May, 2016

Form No. AOC-2

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

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

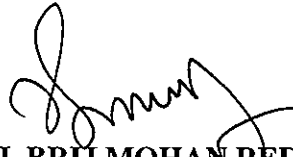
1. Details of contracts or arrangements or transactions not at arm's length basis

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

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

(a) Name(s) of the related party and nature of relationship	During the year, no material contracts or arrangements have been entered into by the Company.
(b) Nature of contracts/arrangements/transactions	NIL
(c) Duration of the contracts / arrangements/transactions	NIL
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	NIL
(e) Date(s) of approval by the Board, if any:	NIL
(f) Amount paid as advances, if any:	NIL

For and on behalf of the Board


J. BRIJ MOHAN REDDY**Director****DIN:00012927**

T.V.SANDEEP KUMAR REDDY**Director****DIN:00005573**Place: **Hyderabad**Date: **23rd May, 2016**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDORE DEWAS TOLLWAYS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Indore Dewas Tollways Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

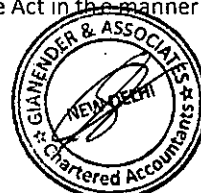
An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements:

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

Non accounting of interest on deferred additional concession fee (deferred premium) amounting to Rs. 4,74,76,142 resulted in understatement of Loss by the Rs. 4,74,76,142 and understatement of long term Liabilities by the same amount.

Subject to above, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and




give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.


Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we enclosed in the annexure a statement on the matters specified in paragraph 3 and 4 of the said Order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - i) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - d. There are no observations or comments on the financial transactions or matters which have any adverse effect on the functioning of the company.
 - e. On the basis of the written representations received from the directors as on 31st March, 2016 taken on record, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-A".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has no pending litigation which would impact its financial position;
 - ii. The company did not have any long-term contract including derivative contract for which there were any material foreseeable losses;
 - iii. There were no amounts which were required by the company to be transferred to the Investor Education and Protection Fund.

Place:
Date:

For Gianender & Associates
Chartered Accountants
FRN: 004661N




Shashank Agrawal
Partner
M No. 536670

Annexure to the Independent Auditor's Report of Indore Dewas Tollways Limited for the Year ended as on 31st March 2016

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

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



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

For Gianender & Associates
Chartered Accountants
FRN: 004661N



(Handwritten Signature)
Ashank Agrawal
Partner
M No. 536670

Place:
Date:

Annexure-A

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

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

We have audited the internal financial controls over financial reporting of **Indore Dewas Tollway Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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



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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place:
Date:

For Gianender & Associates
Chartered Accountants
FRN: 004661N



Shashank Agrawal
Partner
M No. 536670

**INDORE DEWAS TOLLWAYS LIMITED****Balance Sheet as at 31st March, 2016**

	Notes	31st March 2016 (₹)		31st March 2015 (₹)	
I. Equity and Liabilities					
1. Shareholders' Funds					
(a) Share Capital	3	500,000		500,000	
(b) Reserves and Surplus	4	(361,566,447)	(361,066,447)	182,609	682,609
2. Non-Current Liabilities					
(a) Long Term Borrowings	5		6,134,733,869		5,532,982,471
(b) Other Long Term liabilities	6		11,292,807,194		420,142,853
(c) Long Term Provisions	7		1,550,056		789,771
3. Current Liabilities					
(a) Other Current Liabilities	8		278,513,977		99,298,565
(b) Short Term Provisions	9		699,233		417,127
Total			17,347,237,883		6,054,313,397
II. Assets					
1. Non Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	10.a		164,515		350,485
(ii) Intangible Assets	10.b		16,694,249,791		16,535,845
(iii) Intangible assets under Development	10.c		154,680,962		5,852,948,741
(b) Non Current Investments	11		308,910		3,808,910
(c) Long Term Loans and Advances	12		672,997		488,897
2. Current Assets					
(a) Current Investments	13	3,000,000		500,000	
(b) Cash and Bank Balances	14	428,225,603		101,027,267	
(c) Short Term Loans and Advances	15	11,736,960		8,828,848	
(d) Other Current Assets	16	54,198,144	497,160,707	69,824,403	180,180,518
Total			17,347,237,883		6,054,313,397
Significant Accounting Policies	2				

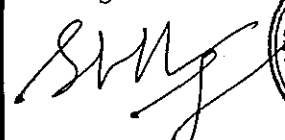
See accompanying notes to Accounts (1-37) are an integral part of Financial Statements

As per our report of even date attached

For Gianender & Associates

Chartered Accountants

ICAI Regn No.004661N

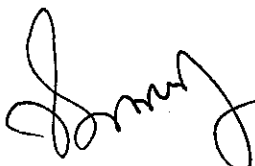

SHASHANK AGRAWAL

Partner

Membership No. 536670



For and on behalf of the Board


J. BRIJ MOHAN REDDY

Director

DIN 00012927


T.V. SANDEEP KUMAR REDDY

Director

DIN 00005573

Place: Hyderabad

Date: 23rd May, 2016

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

	Notes	31st March 2016 (₹)	31st March 2015 (₹)
1. Revenue			
(a) Revenue from Operations	17	327,139,441	-
(b) Other Operating Income	18	87,789,544	-
(c) Other Income	19	9,839,014	34,771
Total Revenue		424,767,999	34,771
2. Expenses			
(a) Employee Benefit Expense	20	15,837,095	-
(b) Finance Costs	21	515,115,171	-
(c) Depreciation and Amortisation Expense	22	105,994,798	-
(d) Repairs & Maintenance Expenses	23	28,531,235	-
(e) Other Operating Expense	24	87,794,868	-
(f) Other Expenses	25	33,243,888	83,003
Total Expenses		786,517,055	83,003
3. Profit before Exceptional and Extraordinary Items		(361,749,056)	(48,232)
4. Exceptional Items		-	-
5. Profit before Extraordinary items and Tax (3-4)		(361,749,056)	(48,232)
6. Extraordinary Items		-	-
7. Profit before Tax (5-6)		(361,749,056)	(48,232)
8. Tax Expenses			
(a) Current Taxes		-	-
(b) Deferred Taxes		-	-
9. Profit/(Loss) for the period from Continuing Operations (7-8)		(361,749,056)	(48,232)
10. Profit/(Loss) for the period from Discontinuing Operations		-	-
11. Tax Expenses of Discontinuing Operations		-	-
12. Profit/(Loss) from Discontinuing Operations after Tax (10-11)		-	-
13. Profit/(Loss) for the period (9+12)		(361,749,056)	(48,232)
14. Earnings per Share			
(a) Basic	31	(7,234.98)	(0.96)
(b) Diluted		(7,234.98)	(0.96)

See accompanying notes to Accounts (1-37) are an integral part of Financial Statements

As per our report of even date attached

For Gianender & Associates

For and on behalf of the Board

Chartered Accountants

ICAI Regn No.0046671



SHASHANK AGRAWAL

J. BRIJ MOHAN REDDY

T.V. SANDEEP KUMAR REDDY

Partner

Director

Director

Membership No.536670

DIN 00012927

DIN 00005573

Place: Hyderabad

Date: 23rd May, 2016

**INDORE DEWAS TOLLWAYS LIMITED****Cash flow statement for the Year ended 31st March 2016**

	31st March 2016 (₹)	31st March 2015 (₹)
A. Cash Flow from Operating Activities:		
Net Profit before Tax	(361,749,056)	(48,232)
Adjustment for		
Depreciation	105,994,798	-
Other Income	(9,793,514)	-
Finance Cost	515,115,171	-
Operating Profit before Working Capital Changes	249,567,399	(48,232)
Working Capital Changes	(277,900,000)	(34,384,603)
Income Taxes Paid	-	-
Net Cash from Operating Activities	(28,332,601)	(34,432,835)
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(7,135)	(35,006)
Movement in Capital Work in Progress	5,698,267,779	(276,957,127)
Capitalization of Intangible Assets	(16,783,515,639)	-
Proceeds from Interest on Income Tax Refund	48,948	-
Proceeds from Dividend Income from Mutual funds	2,238,613	1,247,944
Proceeds from Interest on Fixed Deposits	7,505,953	57,049
Increase/(decrease) in Other Long Term Liabilities	10,873,424,626	420,512,989
Increase/(decrease) in other Current Liabilities	179,497,518	(354,322,809)
Decrease/(increase) in Other Current Assets	-	-
Decrease/(increase) in Short Term Loans and Advances	12,718,147	(9,809,592)
Investment in Mutual Funds	1,000,000	4,500,000
Net Cash used in Investing activities	(8,821,191)	(214,806,551)
C. Cash Flow from Financing Activities:		
Proceeds from Issue of Shares	-	-
Decrease/(increase) in Long Term Loans and Advances	(184,100)	(43,000)
Proceeds from secured Long Term Borrowings from Banks	601,751,398	631,127,137
Proceeds from Unsecured Zero Percent long term borrowings from	-	100,000,000
Interest and Finance charges Paid	(515,115,171)	(505,595,147)
Net Cash from Financing activities	86,452,127	225,488,990
Net change in Cash and Cash Equivalents (A+B+C)	49,298,336	(23,750,395)
Cash and cash equivalents as at Apr 01, 2015	66,642,664	90,393,060
Cash and cash equivalents as at 31st March 2016	115,941,000	66,642,664
Net cash flow	49,298,336	(23,750,395)
Components of Cash and Cash equivalents (Note 11)		
Cash on hand	1,399,458	1,029,002
Balances with Banks		
in current accounts	114,541,542	65,613,662
Total Cash and Cash equivalents	115,941,000	66,642,664

Note:

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

As per our report of each date attached

For Gianender Associates
Chartered Accountants
ICAI Regn No. 004661N

For and on behalf of the Board

SHASHANK AGRAWAL
Partner
Membership No. 536670
Place :Hyderabad
Date : 23rd May, 2016

J. BRIJ MOHAN REDDY
Director
DIN 00012927

T.V. SANDEEP KUMAR REDDY
Director
DIN 00005573

Notes to Financial Statements for the Year ended 31st March 2016

1) Corporate Information:

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

The company is a Special Purpose Vehicle (SPV) for execution of the project " Six Laning of Indore-Dewas section of NH 3 from KM 577.550 to KM 610.00 and KM 0.000 to KM 12.600 (Approx. length 45.05 KM) in the state of Madhya Pradesh under NHDP Phase-V to be executed as BOT (Toll) project on Design, Build, Finance, Operate and Transfer "DBFOT" pattern. The company has entered into a Concession Agreement with National Highways Authority of India, which specifies a two and half year of construction period and twenty two and half years of operation & maintenance period.

During the year, the Company achieved the Provisional Completion Certificate w.e.f. 29th May, 2015.

2) Basis of Preparation:

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

The preparation of Financial Statements in conformity with GAAP requires that the management of the Company makes Estimates and Assumptions that affect the reported amounts of Income and Expenses of the period, the reported balances of Assets and Liabilities and the disclosures relating to Contingent Liabilities as at the date of the Financial Statements. Examples of such Estimates include the useful lives of Tangible and Intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

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

The preparation of financial statements requires Estimates and Assumptions to be made that affect the reported amount of Assets and Liabilities on the date of the financial statements and the reported amount of Revenue and Expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

b) Fixed Assets & Depreciation**(i) Tangible:**

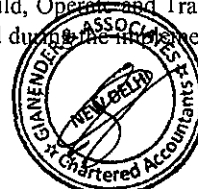
Fixed Assets are stated at cost of acquisition, less accumulated depreciation thereon. For this purpose, cost includes purchase price and all other attributable costs of bringing the assets to working condition for intended use. Assessment of indication of impairment of an asset is made at the end of year and impairment loss, if any is recognized. Depreciation on assets has been provided on Straight-Line basis in the manner specified in Schedule II to the Companies Act, 2013. However, assets with a net carrying value of less than ₹5,000/- as on 01 April 2015 have been depreciated @ 100% during the F.Y. 2015-16, as the useful life of the asset in the opinion of the management, has expired.

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

(ii) Intangible:

Intangible assets are recognized as per the criteria specified in Accounting Standard 26 " Intangible Assets" issued by the Institute of Chartered Accountants of India and as specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 under the Companies Act (Rules) and are amortized as follows.

Carriageway representing Toll Collection Rights are obtained in consideration for rendering construction, operation and maintenance services in relation to building and maintenance of the project on Build, Operate and Transfer basis. The cost of such Carriageway comprises construction cost and other preoperative costs incurred during the implementation phase.



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

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

(iii) Intangible Assets under development & Amortization

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

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

Toll Collection rights represent the right to collect toll revenue during the concession period in respect of Design-Build-Finance-Operate-Transfer (DBFOT) projects undertaken by the company. The construction costs, pre operative expenditure along with the concession fee payable till the completion of the construction of additional two lanes of the project are recognized as intangible assets under development. The revenue towards collection of toll/other income during the construction of additional two lanes is reduced from the cost of Intangible assets under development. Upon completion of the construction of the additional two lanes of project, the cumulative cost of the intangible assets under development (which includes the obligation towards additional concession fee payable to National Highways Authority of India (NHAI), net of revenue towards collection of toll/ other income during the period of construction) is capitalized as toll collection rights and recognized under Intangible assets.

The amortization for each year on such toll collection rights is calculated by multiplying the same with the factor derived by dividing the Actual Revenues for the respective year by the Cumulative Projected Revenues from the Intangible asset till the end of the concession period which is in accordance with schedule II of the companies Act, 2013.

In order to more appropriately present the Financial statements of the company, the total premium amount of ₹ 1181,09,87,802 as per the Concession Agreement, has been capitalized as "Intangible Assets" and amortized over a period of service concession Agreement as per the method prescribed in Part A to the Schedule II to the Companies Act, 2013 and corresponding Obligation for committed premium has been recognised as liabilities.

The Contractual Obligation to pay premium (Additional Concession Fees) to National Highways Authority of India over the Concession period has been recognized upfront on an undiscounted basis when the project gets completed as per the Concession Agreement and is a part of the "Intangible Asset " and corresponding Obligation for committed premium is recognized as liabilities.

Subsequent expenditure related to an item of Intangible assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing intangible assets are charged to the statement of profit and loss for the period during which such expenses are incurred

e) Revenue Recognition:

(i) Fee collections from users of facility are accounted for as and when the amount is due and recovery is certain. Income from sale of smart card is recognized as and when the amount is received from the users of the cards.

(ii) Dividend income is recognized when the right to receive is established.

(iii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

(iv) Other items of income are accounted as and when the right to receive arises.

d) Borrowing Costs:

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

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

e) Investments:

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

f) Earnings per Share:

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

g) Employee Benefits

(i) Short Term Employee Benefits:

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

(ii) Post Employment Benefits:

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

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

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

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

h) Provisions and Contingent Liabilities :

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

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

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

c. Contingent Liability and Contingent Assets:

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

d. Contingent Assets are neither recognized, nor disclosed.

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

i) Claims:

a) Company's claims against the Concessioneing Authority for additional scope of work, utility shifting etc. are accounted for as and when received.

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

c) Other claims as against the company are accounted as and when accepted by the Company and Claims made by the company on Others are accounted as and when accepted by the Other party

j) Taxes on Income:

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

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

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



k) Impairment of Assets:

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

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

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

- In the case of an individual assets, at the higher of the net selling price and the value in use;
- In the cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's net selling price and the value in use;

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset from its disposal at the end of its useful life).

l) Current & Non Current Assets & Liabilities Classification

Current & Non Current classification :

i) Current asset :

An asset shall be classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- it is held primarily for the purpose of being traded.
- It is expected to be realized within twelve months after the reporting date, or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other Assets shall be classified as Non-current

ii) Current liabilities :

A liability shall be classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date : or
- the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not effect its classification.

All other Liabilities shall be classified as Non-Current.

3) Share Capital:

a) Number and amount of Shares authorized

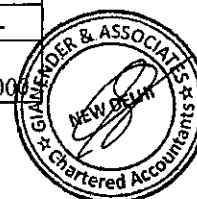
Particulars	31st March 2016	31st March 2015
	Amount (₹)	Amount (₹)
10,00,000 Equity Shares of ₹10 each (Previous year: 10,00,000 shares of ₹10 each)	10,000,000	10,000,000

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

Particulars	31st March 2016	31st March 2015
	Amount (₹)	Amount (₹)
50,000 (Previous year : 50,000 shares of ₹10 each)'Equity shares of ₹ 10 each fully paidup	500,000	500,000

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

Equity Shares of Rs 10 each	31st March 2016		31st March 2015	
	No of Shares	Amount (₹)	No of Shares	Amount (₹)
At the beginning of the period	50,000	500,000	50,000	500,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	50,000	500,000	50,000	500,000



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

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

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. During the year ended 31st March, 2016, no dividend is declared by Board of Directors. (Previous year - Nil)

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

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

Equity Shares of ₹10 each fully paid	31st March 2016		31st March 2015	
	No of Shares	% of Holding	No of Shares	% of Holding
M/s Gayatri Infra Ventures Limited	16,660	33.32	16,660	33.32
M/s Gayatri Projects Limited	16,660	33.32	16,660	33.32
DLF Infra Holding Ltd/its Associates/Subsidiaries (M/s Balaji Highways Holding Pvt Limited)	16,660	33.32	16,660	33.32

4) Reserves and Surplus:

Surplus/(deficit) in the statement of profit and loss:	31st March 2016 (₹)	31st March 2015 (₹)
Opening Balance	182,609	230,841
Add: Profit/(Loss) for the year	(361,749,056)	(48,232)
Net Surplus in the statement of Profit and Loss	(361,566,447)	182,609
Total of Reserves and Surplus	(361,566,447)	182,609

5) Long Term Borrowings:

Particulars	Non Current Portion		Current Maturities (see note below)	
	31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
a) Term Loans I (Secured)				
Union Bank of India	1,500,000,000	1,500,000,000		
Punjab National Bank	1,497,037,000	1,497,037,000		
State Bank of Hyderabad	499,373,592	499,373,592		
Total	3,496,410,592	3,496,410,592	-	-
b) Term Loans II (Secured)				
TL- Punjab National Bank - II	33,350,000	-	80,040,000	
TL - State Bank of Hyderabad II	8,880,000	-	26,640,000	
TL- Union Bank of India - II	26,680,000	-	80,040,000	
Total	68,910,000	-	186,720,000	
c) Funded Interest Term loan				
Funded Interest Term Loan - UBI	291,526,315	126,074,287		
Funded Interest Term Loan - PNB	288,012,096	94,914,780		
Funded Interest Term Loan - SBH	94,498,152	30,507,470		
Total	674,036,563	251,496,537	-	
d) from Others				
IIFCL	1,000,000,000	1,000,000,000		
Funded Interest Term Loan - IIFCL	192,876,714	82,575,342		
	1,192,876,714	1,082,575,342	-	-
Total Secured Loans	5,432,233,869	4,830,482,471	186,720,000	-



Note: National Highways Authority of India has approved the proposal for the deferment of premium payable as per the sanction letter dated 11th June, 2014. Based on the approval received from National Highways Authority of India, the company has applied to the consortium of lenders for restructuring of the term loan. The Consortium of Lenders have approved the restructuring package with the cutoff date being 1st July, 2014 with a Moratorium of 33 months for Interest and principal Obligations. Hence there are no current maturities with respect to the Term loan I principal repayment and Funded Interest Term loan principal repayment.

Term loan II

(a) As per the terms of the sanction, the Term Loan II of ₹ 40,00,00,000 is repayable within 20 equal instalments immediately from the next month of the disbursement. During the current financial year an amount of ₹ 31,12,00,000 has been disbursed on account of Term Loan II and an amount of ₹ 5,55,70,000 principal has been repaid. The current maturities for Term Loan II are amounting to ₹18,67,20,000. We have submitted the draft Restructuring documents on 4th May, 2015 to National Highways Authority of India for review, and also submitted the executed documents on 26th July, 2015 for approval to National Highways Authority of India. Approval for the same is yet to be received from National Highways Authority of India.

(b) As per the terms of the Restructuring package, an amount of ₹10,00,00,000; ₹9,50,00,000 & ₹ 19,70,00,000 has to be kept as Debt Service Reserve Account with the Lead bank for the FY: 2014-15; 2015-16 & 2016-17 respectively.

(c) The additional term loan of ₹ 40,00,00,000 has been sanctioned by the lenders for the completion of the balance EPC works which were delayed due to the below mentioned reasons:

(i) Delay on the part of National Highways Authority of India in handing over of the Right Of Way. There was also a delay on the part of National Highways Authority of India in publishing the Gazette notification for Toll collection.

(ii) Delay on the part of National Highways Authority of India in shifting of Utilities ie., electrical poles, drinking water pipe lines etc, which created a hindrance for the completion of the project works.

(iii) Delay on the part of National Highways Authority of India in declaring the Appointed date (1st Sep, 2011) after signing of the Concession Agreement (17th May, 2010). (delay of 7 months from the date of financial closure ie 8th Feb, 2011).

(iv) The Right of Way issue & the shifting of the drinking water pipe line at Rau junction was pending at the time of issue of Provisional Completion certificate ie on 29th May, 2015 and is not resolved till date.

Due to all the above reasons, the Schedule Project Completion Date was delayed.

(d) Due to all the above factors, the Interest during construction has increased as against the budgeted amount stipulated in the Project cost and the funds budgeted for EPC cost were utilized for the purpose of servicing interest to the lenders. In lieu of the above the lenders have agreed to fund the additional term loan for the completion of the balance EPC works.

Particulars	Non Current Portion		Current Maturities (see note below)	
	31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
e) Zero percent interest loan (Unsecured)				
Zero-Interest Subordinate Loan GIVL A/c	363,000,000	363,000,000		
Zero Interest Subordinate Loan GPL A/c	339,500,000	339,500,000		
Total Unsecured Loans	702,500,000	702,500,000	-	-
Total Long term borrowings (a+b+c+d+e)	6,134,733,869	5,532,982,471	186,720,000	-

e) Terms of the Restructuring Package:

(1) The Restructuring package is approved with a cut off date of July 01, 2014.

(2) Reduction in interest rates on all Term Loan facilities (Term Loan -I ₹ 450,00,00,000, Funded Interest Term Loan ₹136,18,58,057 & Term Loan -II ₹ 40,00,00,000) to 11% fixed p.a. upto FY: 2016-17, which is to be linked to the Base Rate of the Lead Lender.

(3) The interest on Term Loan for 11 quarters from cut-off date (July 1, 2014) to March 31, 2017 is to be funded through Funded Interest Term Loan (₹136,18,58,057).

(4) Moratorium of 2 years 9 months for the repayment of Term Loan - I & Funded Interest Term Loan.

f) Security for Term Loans:

Term Loans from lenders are secured by

(i) All monies including Toll collected on the Project Highway to the credit of the Escrow Account as per the provisions of the Concession Agreement.



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

g) Terms of Repayment of Term Loan from Lenders

- (a) The tenor of the repayment of the Term Loan - I for ₹450,00,00,000 shall be for a period of 12 years (twelve) years excluding 2.9 years of moratorium with 48 structured unequal quarterly Instalments ranging from ₹ 5,00,000 to ₹ 78,66,00,000 per annum as per the approved restructuring package.
- (b) The tenor of the repayment of Funded Interest Term Loan for ₹136,18,58,057 shall be for a period of 8 years years excluding 2.9 years of moratorium with 28 structured unequal quarterly instalments ranging from ₹1,00,00,000 to ₹38,80,00,000 per annum as per the approved restructuring package.
- (c) The tenor of the repayment of Additional Term Loan - II for ₹ 40,00,00,000 shall be for 20 monthly Instalments starting from the month of disbursement subject to the completion of the disbursements as per the approved restructuring package.

h) Repayment of Zero percent loan (Unsecured loans from promoters) :

Subordinate debt will be repaid only after the payment of debt Obligations towards the Lenders

6) Other Long Term Liabilities:

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Others:		
Additional Concession Fees Payable to NHAI *	11,262,361,344	389,697,003
Interest on Additional Concession Fees **	30,445,850	30,445,850
Total	11,292,807,194	420,142,853

* In order to more appropriately present the Financials statements of the company, the total premium amount of ₹1181,09,87,802 as per the Concession Agreement, has been capitalized as "Intangible Assets" and amortized over a period of service concession Agreement as per the method prescribed in Part A to the Schedule II to the Companies Act, 2013 and corresponding Obligation for committed premium has been recognised as liabilities.

The Contractual Obligation to pay premium (Additional Concession Fees) to National Highways Authority of India over the Concession period has been recognized upfront on an undiscounted basis when the project gets completed as per the Concession Agreement and is a part of the "Intangible Asset " and corresponding Obligation for committed premium is recognized as liabilities.

** Additional Concession fee has to be paid to National Highways Authority of India as per clause 26.2.1 of the Concession Agreement dated 17th May, 2010. National Highways Authority of India has granted deferment of Additional concession fees payable to them vide their sanction letter dated 11th June, 2014 . Interest on the Additional concession fees payable to National Highways Authority of India for the FY 15-16 is not provided in the books of accounts as National Highways Authority of India has deferred the premium payment upto 6 years. The Interest liability on Additional Concession fees has neither accrued nor due until the completion of the 6 years upto which NHAI has deferred the premium. After the completion of the 6th year, NHAI will review the deferment of premium payment based on the cash flows available then. The liability accrues and becomes due as and when there are cash flows sufficient for the payment of premium. At the end of the 6th year based on the the cash flow position, National Highways Authority of India will review the deferment proposal and may extend the deferment, if the cash flows are not sufficient to meet the debt and O&M obligations.

There is a decline in the Toll collections due to the non maintenance of the adjoining stretches of the project highway i.e., Shivpuri to Dewas & Ghar to Dewas. The development of those stretches were stalled due to issues between the National Highways Authority of India and the developer to whom the projects were awarded. Now Shivpuri - Dewas project has been awarded on EPC basis to new developers, which are expected to be completed within a period of 3-4 years from now. Till such time the revenues from the Toll collections seem bleak and no surplus cash flows are being expected after debt obligations, so as to pay the Additional Concession fees to National Highways Authority of India or Interest thereon. In view of the total stress in the Funds flow the management has considered that the liability accrues and becomes due as and when the cash flows are sufficient for the payment as explained above.

7) Long Term Provisions

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Provision for Employee benefits		
Provision for Gratuity	1,550,056	789,771
Total	1,550,056	789,771

8) Other current liabilities:

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
(i) Current Maturities of Long Term Loans		
Current Maturities of Long Term Loans -TL II	186,720,000	-
Interest accrued and due on borrowings	619,685	6,406,859
(ii) Other Payables		
Statutory liabilities	1,690,688	4,074,387
NHAI IC Fees	-	-
Toll operation and management services	2,084,026	1,808,472
EPC Payments	22,001,701	7,929,068
Retention Money	8,957,206	4,936,848
Creditors for Expenses at site	2,514,785	1,980,466
Mobilization Advance for COS & Utility shifting from NHAI	38,277,570	62,217,629
Creditors for Expenses at HO	3,645,280	2,222,119
Payable to GPL on account of COS & Utility Shifting	5,887,471	3,210,887
Other payables	6,115,565	4,511,830
Total	278,513,977	99,298,565

9) Short Term Provisions

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Provision for Employee benefits		
Provision for Gratuity	37,548	14,148
Other Provisions		
Provision for Site Expenses	661,685	402,979
Total	699,233	417,127

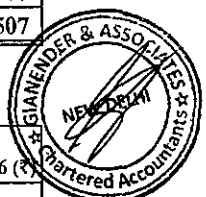
10.d) Intangible assets under development:

A) Construction Cost:

	31st March 2015 (₹)	Additions (₹)	Transferred to Intangible Asset	31st March 2016 (₹)
EPC Contract Bills	4,525,266,214	160,373,549	4,540,521,256	145,118,507
Sub Total (A)	4,525,266,214	160,373,549	4,540,521,256	145,118,507

B) Additional Concession Fees

	31st March 2015 (₹)	Additions (₹)	Transferred to Intangible Asset	31st March 2016 (₹)
Concession Fee *	938,323,467	10,872,664,341	11,810,987,808	-
Sub Total (B)	938,323,467	10,872,664,341	11,810,987,808	-



* In order to more appropriately present the Financials statements of the company, the total premium amount of ₹1181,09,87,802 as per the Concession Agreement, has been capitalized as "Intangible Assets" and amortized over a period of service concession Agreement as per the method prescribed in Part A to the Schedule II to the Companies Act, 2013 and corresponding Obligation for committed premium has been recognised as liabilities.

The Contractual Obligation to pay premium (Additional Concession Fees) to National Highways Authority of India over the Concession period has been recognized upfront on an undiscounted basis when the project gets completed as per the Concession Agreement and is a part of the "Intangible Asset " and corresponding Obligation for committed premium is recognized as liabilities.

C) Pre Operative Expenditure pending allocation:

	31st March 2015 (₹)	Additions (₹)	Transferred to Intangible Asset	31st March 2016 (₹)
Interest on Term Loans	1,234,394,323	43,593,751	1,268,441,381	9,546,693
Interest on Funded Interest Term Loan	6,914,818	6,191,173	13,105,991	-
Finance Charges	69,589,894	1,023,044	70,612,938	-
Legal & Professional Expenses	88,694,922	5,416,598	90,113,296	3,998,224
Audit Fee	1,009,180		1,009,180	-
Salaries & Wages	12,448,998	359,710	12,808,708	-
Administration expenses	8,469,816	(86,728)	8,383,087.81	-
Insurance	4,813,115	13,170	4,826,285	-
Miscellaneous Works	3,571,428	-	3,571,428	-
Sub Total (C)	1,429,906,495	56,510,718	1,472,872,296	13,544,917

D. O&M related Pre-operative Expenses:

	31st March 2015 (₹)	Additions (₹)	Transferred to Intangible Asset	31st March 2016 (₹)
Four lane (Existing) Maintenance				
Interest on Additional concession fees	33,652,223		33,652,223	-
Advertisement Expenses	342,678		342,678	-
Bank Charges	154,365	75	154,440	-
Travelling & Conveyance	7,854,214	303,796	8,158,010	-
Traffic Study	505,620		505,620	-
Depreciation on Toll Plaza Building	30,096,883	-	30,096,883	-
Depreciation on Tangible Assets	905,951	-	905,951	-
Amortisation of Toll Software	2,765,468	-	2,765,468	-
Diesel Expenses	6,237,606	233,762	6,471,368	-
Electricity Expenses	6,643,641	229,367	6,873,008	-
Insurance O&M	3,807,942	1,217,196	5,025,138	-
Office Maintenance	2,460,005	79,298	2,539,303	-
Printing & Stationary	655,931	11,152	667,083	-
Rent	1,967,525	67,290	2,034,815	-
Repairs & Maintenance	7,051,699	38,133,080	45,184,779	-
Salaries & Staff Welfare	36,764,916	1,958,501	38,723,417	-
Toll Operation & Management Services	73,845,963	3,517,693	77,363,656	-
Ambulance & Patrolling vehicles	921,712		921,712	-
Other O&M Expenses	6,865,407	284,578	7,149,985	-
Sub Total (D)	223,499,748	46,035,788	269,535,537	-

E. Toll Management Systems

Toll Management Systems	-	19,875,254	19,875,254	-
Sub Total (E)	-	19,875,254	19,875,254	-
Total Expenditure (F)= (A)+(B)+(C)+(D)+(E)	7,116,995,924	11,155,459,650	18,113,792,151	158,663,424

Less:				
Fee Collections from Users	1,234,549,538	65,173,601	1,299,723,139	-
Collection from Smart cards	456,370	15,100	471,470	-
Income from Mutual funds	28,753,994	2,625,137	29,255,782	2,123,349.00
Utility receipts	60,609,082		60,609,082	-
Less: Utility shifting payments	(60,609,082)		(60,609,082)	-
Change of scope proceeds	37,717,758	63,085,237	100,802,995	-
Less: Change of scope payments	(37,717,758)	(63,085,238)	(100,802,996)	-
Interest from Term Deposits	287,281	2,397,953	826,121	1,859,113.00
Sub Total (G)	1,264,047,183	70,211,790	1,330,276,511	3,982,462
Grand Total (H)=(F-G)	5,852,948,741	11,085,247,860	16,783,515,639	154,680,962

As the project has attained PCC dated 29th May, 2015, the revenue from Toll collections for the period 1st April, 2015 to 28th May, 2015 are capitalized (see note 10) and the revenue from 29th May, 2015 to 31st March 2016 is transferred to the statement of Profit and loss (see note 17).

11) Non Current Investments

Particulars	31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
Non Trade Investments at cost				
Land (Investment Property) *	308,910	308,910		
Investments in Mutual Fund				
	Quoted at cost		Quoted Market value	
Union KBC Capital Protection Oriented Fund -series 1	-	1,000,000		1,345,075
Union KBC Asset Allocation Fund - capital protection fund	-	1,000,000		1,089,305
Union KBC Capital Protection Oriented Fund Series 5	-	1,000,000		1,237,260
Union KBC Protection Oriented Fund Series -4A/c	-	500,000		539,700
Total	308,910	3,808,910	-	4,211,340

* Land is mortgaged with the Security Trustee (on behalf of the lenders)

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

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Security Deposits	450,997	266,897
Other Loans and advances		
Rent Advance	22,000	22,000
Advance for Toll Collection Management	200,000	200,000
Total	672,997	488,897

13) Current Investments:

Particulars	Quoted at cost		Quoted Market value	
	31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
Investments in Mutual Fund				
Union KBC Asset Allocation Fund - capital protection fund	1,000,000		1,202,057	
Union KBC Capital Protection Oriented Fund Series 5	1,000,000		1,176,970	
Union KBC Protection Oriented Fund Series -4A/c	500,000		577,695	
Union KBC Fixed Maturity Plan Series 7		500,000		547,640
Union KBC Small 4 Mid cap Liquid fund	500,000		562,000	
Total	3,000,000	500,000	3,518,722	547,640



14) Cash and Bank balances:

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Cash and Cash equivalents A		
Balances with banks:		
In Current Accounts	114,541,542	65,613,662
Cash on hand:	1,399,458	1,029,002
Total A	115,941,000	66,642,664
Other Bank Balances B		
In Fixed Deposits with Union bank of India (Maturity period more than 3 months)	312,284,603	34,384,603
Total B	312,284,603	34,384,603
Total (A+B)	428,225,603	101,027,267

15) Short Term Loans and Advances:

Unsecured, considered good:

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Others		
Prepaid Interest to Lenders	-	7,404,091
Prepaid Expenses	1,447,960	1,414,757
Others	87,000	10,000
Gayatri Projects -Others	7,920,000	-
GPL - Operation & Maintenance Contractor A/c	2,282,000	-
Total	11,736,960	8,828,848

16) Other Current Assets:

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Others		
Receivable from Statutory Authorities	8,271,989	4,405,884
Interest accrued but not received on Fixed deposits from Union bank of India	7,518,487	8,010
Interest receivable from Punjab national bank	-	3,192,880
Advances towards New Toll Plaza contract works	130,100	-
Mobilization advance - COS & Utility shifting paid to GPL	38,277,568	62,217,629
Total	54,198,144	69,824,403

17) Revenue from Operations

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Revenue From Toll Collections	327,139,441	-
Total	327,139,441	-

18) Other Operating Income

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Change of Scope Receipt -NHAI	84,004,913	-
Utilities Shifting Receipts	3,784,631	-
Total	87,789,544	-



19) Other Income

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Income From Mutual Funds	2,238,613	-
Interest on FD -Banks & FIs	7,505,953	-
Miscellaneous Income	45,500	-
Other Income	48,948	34,771
Total	9,839,014	34,771

20) Employee benefit expense

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Salaries & Wages	15,837,095	-
Total	15,837,095	-

21) Finance costs

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Interest on Term Loans	512,417,331	-
Financial charges	2,697,840	5,778
Total	515,115,171	5,778

22) Depreciation and Amortization expense

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Depreciation on Tangible Assets	193,105	-
Amortization on Intangible Asset	105,801,693	-
Total	105,994,798	-

23) Repairs & Maintenance Expenditure

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Repairs & Maintenance	28,531,235	-
Total	28,531,235	-

24) Other Operating expense

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Change of scope works	84,010,236	-
Utility shifting expenses	3,784,632	-
Total	87,794,868	-

25) Other expenses

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Administrative Expenses	2,647,158	17,519
Electricity Charges	1,561,991	-
Audit expenses	482,994	-
Insurances	155,854	-
Legal & Professional Charges	1,182,620	11,046
Other R&M Works	2,054,350	-
Period Rates & Taxes	1,641,697	40,860
Telephone & Internet	275,605	-
Toll Operation & Management Service	20,040,063	-
Security Charges	228,536	-
Travelling & Conveyance	2,973,020	7,800
Total	33,243,888	77,225



26) In terms of provisions of Accounting Standard 22 issued by ICAI, no deferred tax asset/liability has been recognised as there is no virtual certainty with convincing evidence to reverse it in the near future.

27) Contingent Liabilities & Other Commitments:

a) Contingent Liabilities

(i) Claims not acknowledged as liability by the the company for an amount of ₹ 90,33,929/-(June 2015 to March 2016) (upto Previous year :₹ 2,25,12,607/-) on account of IC fees payable to NHAI.

b) Commitments

Capital Commitment

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Towards EPC Cost	164,360,237	324,733,786
Total	164,360,237	324,733,786

Other Commitments:

As per Clause 26.2.1 of the Concession Agreement with National Highways Authority of India, the Company has to pay Additional Concession fee of ₹24,10,00,000 every year with escalation of 5% fixed pa from the FY 2011-12. Also, the Company has firm commitments for payment towards Lenders Independent Engineer expenses. However the National Highways Authority of India has granted deferment for the premium payable to them.

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

29) Employee Benefits:

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

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a. Results of Actuarial Valuation as on		
1. Current Service Cost	1,22,193	76,143
2. Interest Cost on Benefit Obligation	64,314	33,679
3. Expected Return on Plan Assets	-	-
4. Net Actuarial (gain)/Loss recognised in the year	5,97,178	273,107
5. Past services cost	-	-
6. Net Benefit Expense	7,83,685	382,929
b. Amount recognized in Balance Sheet as on		
1. Opening defined benefit obligation	8,03,919	420,990
2. Interest Cost	64,314	33,679
3. Current Service Cost	1,22,193	76,143
4. Benefits Paid	Nil	-
5. Actuarial (gain)/Loss on obligation	5,97,178	273,107
6. Closing defined benefit obligation	15,87,604	803,919
c. Principal Actuarial Assumptions:		
1. Average Salary Growth Rate	4%	4%
2. Discounting Rate	8%	8%
3. Attrition Rate	3%	3%
4. Mortality Table	LIC (2006-08)	LIC (2006-08)
5. Available Balance services	23.18 years	24.61 yrs



30 a) List of related parties and relationship:

Name of the Related party	Relationship
M/s Gayatri Infra Ventures Limited	Company having significant influence & Enterprises owned or significantly influenced by key management personnel or their relatives
M/s Gayatri Projects Limited	Company having significant influence & Enterprises owned or significantly influenced by key management personnel or their relatives
M/s Balaji Highways Holding Pvt Limited	Company having significant influence
T.V. Sandeep Kumar Reddy	Key Management Personnel (KMP)
J.Brij Mohan Reddy	Key Management Personnel
T.Subbarami Reddy	Relatives of KMP
T.Indira Reddy	Relatives of KMP

b) Related party transactions for the period ended 31st March, 2016 are as follows

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Reimbursement of expenses:		
M/s Gayatri Infra Ventures Limited	-	-
M/s Gayatri Projects Limited	-	-
Transactions for EPC, utility works and other Miscellaneous Works:		
M/s Gayatri Projects Limited	387,732,005	423,729,570
Payment of Retention Money:		
M/s Gayatri Projects Limited	-	50,000,000
Balances as at year end:		
M/s Gayatri Infra Ventures Limited		
Share Capital (Pledged with Lenders ref Notes 5.e.g)	166,600	166,600
Interest free Subordinate loan	363,000,000	363,000,000
Payables		
M/s Gayatri Projects Limited		
Share Capital (Pledged with Lenders ref Notes 5.e.g)	166,600	166,600
Interest free Subordinate loan	339,500,000	339,500,000
Payables	29,177,051	9,068,095
Retention Money	8,940,994	4,931,656
Mobilization advance Debit balance towards ETC, COS & Utility shifting	39,165,669	62,217,629
M/s Balaji Highways Holding Pvt Limited		
Share Capital	166,600	166,600

Retention Money Bank Guarantees issued by the EPC Contractor for the release of the Retention money amounting to ₹ 5,73,20,000

31) Earnings per share (EPS):

Particulars	31st March 2016		31st March 2015	
	No of Shares	Amount (₹)	No of Shares	Amount (₹)
Net Profit/(Loss) after tax available for equity		(361,749,056)		(48,232)
Weighted average no of equity shares for Basic EPS	50,000		50,000	
Weighted average no of equity shares for diluted EPS	50,000		50,000	
Face value per share		10		10
Basic EPS		(7,234.98)		(0.96)
Diluted EPS		(7,234.98)		(0.96)



32) Auditor's Remuneration

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Audit fee including Tax audit	250,000	250,000
Other fee	203,000	155,057
Service Tax	66,669	50,065
Total	519,669	455,122

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

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

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

36) The Directors have been paid sitting fees for the Board & Committee meetings attended by them.

37) Previous years figures have been regrouped wherever necessary.

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



SHASHANK AGRAWAL
SHASHANK AGRAWAL
Partner
Membership No. 536670
Place: Hyderabad
Date: 23rd May, 2016

For and on behalf of the Board

J. BRJ MOHAN REDDY
J. BRJ MOHAN REDDY
Director
DIN 00012927

T.V. SANDEEP KUMAR REDDY
T.V. SANDEEP KUMAR REDDY
Director
DIN 00005573