

IND TOLL ROAD PRIVATE LIMITED

ANNUAL ACCOUNTS FOR

THE YEAR 2014-15

INDEPENDENT AUDITOR'S REPORT

To the Members of T D Toll Road (P) Ltd.

Report on the Financial Statements

1. We have audited the accompanying financial statements of T D Toll Road (P) Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of

the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015, its profit and its cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
8. As required by section 143(3) of the Act, we further report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014
 - e. on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act

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

Annexure to Auditors' report

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

T D Toll Road (P) Limited

for the year ended on 31st March 2015

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

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

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

Particulars	Note No.	As at March 31, 2015		As at March 31, 2014	
		₹	₹	₹	₹
I. EQUITY AND LIABILITIES					
Shareholders' Funds					
Share capital	2.1	107,449,200		107,449,200	
Reserves and surplus	2.2	<u>2,034,925,972</u>	2,142,375,172	<u>2,028,344,047</u>	2,135,793,247
Non-current liabilities					
Long-term borrowings	2.3	3,071,340,000		3,108,820,000	
Other Long term liabilities	2.4	31,514,640		36,989,216	
Long-term provisions	2.5	<u>1,010,230</u>	3,103,864,870	<u>1,308,652</u>	3,147,117,868
Current liabilities					
Trade payables	2.6	11,274,641		10,219,036	
Other current liabilities	2.7	73,032,149		71,709,142	
Short-term provisions	2.8	<u>40,070</u>	84,346,860	<u>58,794</u>	81,986,972
Total			<u>5,330,586,902</u>		<u>5,364,898,087</u>
II. ASSETS					
Non-current assets					
Fixed Assets					
(i) Tangible assets	2.09	3,609,811		1,348,850	
(ii) Intangible assets	2.10	<u>5,281,991,488</u>	5,285,601,299	<u>5,317,452,803</u>	5,318,801,653
(2) Current Assets					
Cash and Bank Balance	2.11		19,932,351		26,687,952
Short-term loans and advances	2.12		24,931,297		19,285,846
Other current assets	2.13		121,955		122,636
Total			<u>5,330,586,902</u>		<u>5,364,898,087</u>

Significant Accounting Policies and Notes on Financial Statement **1 & 2**

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

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

For and on behalf of the Board

Narendra Khandal
Partner
Membership No. : 065025

Mayank Jain
Director

Madan Biyani
Director

Place: Mumbai
Date:

Place: Mumbai
Date:

TD Toll Road Private Limited
Statement of Profit and Loss for the year ended 31st March 2015

Particulars	Note No.	Year ended March	Year ended March
		31, 2015	31, 2014
		₹	₹
I. Revenue from operations	2.14	457,301,681	452,254,365
II. Other income	2.15	2,215,589	1,568,045
III. Total Revenue		459,517,270	453,822,410
IV. EXPENSES:			
Employee benefit expenses	2.16	6,385,709	10,331,200
Other expenses	2.17	57,089,352	47,349,012
Finance costs	2.18	352,222,152	355,581,226
Depreciation and amortization expenses	2.09 & 2.10	35,947,987	34,856,200
Total Expenses		451,645,200	448,117,638
V. Profit before Tax		7,872,070	5,704,772
VI. Tax Expenses			
Current Tax		1,290,145	900,000
		1,290,145	900,000
VII. Profit (Loss) after Tax		6,581,925	4,804,772
VIII. Earnings Per equity share : (Face Value Rs. 10/-)			
(1) Basic & Diluted		0.61	0.45
Significant Accounting Policies and Notes on Financial Statements	1 & 2		

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

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

For and on behalf of the Board

Narendra Khandal
Partner
Membership No. : 065025

Mayank Jain
Director

Madan Biyani
Director

Place: Mumbai
Date:

Place: Mumbai
Date:

TD Toll Road Private Limited
Cash Flow Statement for the year ended 31st March March 2015

Particulars	Year ended March 31, 2015 ₹	Year ended March 31, 2014 ₹
Cash Flow from/ (used in) Operating Activities		
Net Profit/ (Loss) before Taxation	7,872,070	5,704,772
Adjustments for:		
Dividend Income	(1,716,945)	(1067974)
Profit on Sale of Investments	-	(53,797)
Interest & Finance Charges	352,222,152	355,581,226
Depreciation	35,947,987	34,856,200
Adjustment for :-		
Trade and other receivables	(5,644,770)	72,971
Trade & other payables	(4,703,255)	1,645,296
Cash Flow from/ (used in) Operating Activities	[A] 383,977,239	396,738,694
Cash flow from/ (used in) Investing Activities		
Purchase/ Acquisition of Fixed Assets	(2,747,633)	(650,909)
Dividend Income	1,716,945	1,067,974
Profit on Sale of Investments	-	53,797
Cash flow from/ (used in) Investing Activities	[B] (1,030,688)	470,862
Cash flow from/ (used in) Financing Activities		
Repayment of Borrowings (Short Term)	-	(80,000,000)
Repayment from Borrowings (Long-term)	(37,480,000)	46,020,000
Interest & Finance Charges	(352,222,152)	(355,581,226)
Net cash generated from/ (used in) Financing Activities	[C] (389,702,152)	(389,561,226)
Net (Decrease)/ Increase in Cash and Cash	[A+B+C] (6,755,601)	7,648,330
Cash and Cash equivalents as at the commencement of the year (Opening Balance)	21,687,952	14,039,622
Cash and Cash equivalents as at the end of the year (Closing Balance)	14,932,351	21,687,952
Net (Decrease)/ Increase in Cash and Cash equivalents	(6,755,601)	7,648,330

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

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

For and on behalf of the Board

Narendra Khandal
Partner
Membership No. : 065025

Mayank Jain
Director

Madan Biyani
Director

TD Toll Road Private Limited

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

INTRODUCTION:

The Company has been awarded on Build, Operate and Transfer (BOT) basis, strengthening of the existing carriageway from Km. 333 to Km. 421.60 on the Trichy – Dindigul section of National Highway No. 45 in the State of Tamil Nadu and widening thereof to 4 lanes and its improvement, operation and maintenance under the Concession Agreement dated July 19, 2007 with National Highways Authority of India. The Concession Agreement is for a period of 30 years from January 15, 2008, being the appointed Date stated in clause 1.1 of the said agreement. The Company has started Toll Collection w.e.f. 11-01-2012.

1 SIGNIFICANT ACCOUNTING POLICIES:

1.1 Basis of Preparation Of Financial Statements :

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

1.2 Financial Statements: Presentation and Disclosure

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

1.3 Recognition & Accounting of Grant:

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

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

1.4 Use of Estimates :

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

1.5 Fixed Assets :

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

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

Intangible assets are stated at acquisition cost less accumulated amortization.

1.6 Investments :

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

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

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

1.7 Borrowing Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

1.8 Revenue Recognition :

In respect of Toll Roads, toll revenue from operations of the facility is accounted on receipt basis
Insurance and other claims are recognized as revenue on certainty of receipt on prudent basis.
Dividend on investment is recognized when the right to receive the payment is established.

1.9 Depreciation And Amortization :

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

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

1.10 Employee Benefits :

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

1.11 Accounting for Taxes on Income :

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

1.12 Foreign Exchange Transactions

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

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

1.13 Impairment of Assets

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

1.14 Provisions :

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

1.15 Contingent Liabilities and Contingent Assets:

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

TD Toll Road Private Limited
Notes to Financial Statements for the year ended 31st March 2015

Note 2.1 Share Capital

	31-Mar-15 ₹	31-Mar-14 ₹
Authorized		
Equity Shares Rs. 10 par value		
12,000,000 (12,000,000) Equity Shares of Rs 10 each	120,000,000	120,000,000
	<u>120,000,000</u>	<u>120,000,000</u>
Issued, Subscribed and Paidup		
Equity Shares Rs. 10 par value		
10,744,920 (10,744,920) Equity Shares	107,449,200	107,449,200
	<u>107,449,200</u>	<u>107,449,200</u>
Reconciliation of shares		
No. of shares at the beginning of the year	10,744,920	10,744,920
Add : No. of Shares Issued during the year	-	-
No. of Shares at the end of the year	<u>10,744,920</u>	<u>10,744,920</u>

Rights, Preferences and Restrictions -

The Company has only one class of shares referred to as Equity Shares having a Par Value of Rs. 10. 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. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholders holding more than 5% of shares :

Name	No.of Shares	Amount	No.of Shares	Amount
Reliance Infrastructure Limited	5,265,011	52,650,110	5,265,011	52,650,110
Space Trade Enterprises Private Limited	1,754,645	17,546,450	1,754,645	17,546,450
Skyline Global Trade Private Limited	1,754,645	17,546,450	1,754,645	17,546,450
Spice Commerce and Trade Private Limited	1,755,720	17,557,200	1,755,720	17,557,200
Total	10,530,021	105,300,210	10,530,021	105,300,210

Note 2.2 Reserves and Surplus

Capital reserves

Grant received from NHAI				
Opening Balance	1,074,600,000		1,074,600,000	
Addition during the period	-		-	
Closing Balance	<u>1,074,600,000</u>		<u>1,074,600,000</u>	
Securities Premium Reserves				
Opening Balance	967,150,800		967,150,800	
Addition during the period	-		-	
Closing Balance	<u>967,150,800</u>		<u>967,150,800</u>	
Surplus as per Statement of Profit and Loss				
Opening Balance	(13,406,753)		(18,211,525)	
Transferred from Statement of Profit and Loss	6,581,925		4,804,772	
Closing Balance	<u>(6,824,828)</u>		<u>(13,406,753)</u>	
	<u>2,034,925,972</u>		<u>2,028,344,047</u>	

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

	31-Mar-15 ₹	31-Mar-14 ₹
Note 2.3 Long Term Borrowings		
Secured loans : *		
From banks	2,251,340,000	2,300,820,000
From Financial Institution	682,500,000	697,500,000

*** Secured By :-**

- a) First mortgage and charge of all immovable properties, present and future
- b) First charge by way of hypothecation of all movable assets, both present and future, save and except the project Assets.
- c) First charge on all intangible assets save and except Project assets.
- d) First Charge on receivables, book debts, cash and cash equivalents including any other bank accounts and other assets, present and future.
- e) First Charge on government approvals, insurance policies, uncalled capital, project documents, guarantees, letter of credit, performance warranties, indemnities and securities given to the Company.

Repayment Terms :- The repayment of loan has started from 31 Dec 2011 in 50 quarterly installments and will be paid till 31 March 2024.

Unsecured

Sub Ordinate Debts from Holding Company	137,500,000	110,500,000
Total	3,071,340,000	3,108,820,000

Note 2.4 Other Long Term Liabilities

Retention Payable	31,514,640	36,989,216
Total	31,514,640	36,989,216

Note 2.5 Long Term Provisions

Provision for employee benefit		
- Leave Encashment	1,010,230	1,308,652
Total	1,010,230	1,308,652

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

	31-Mar-15 ₹	31-Mar-14 ₹
Note 2.6 Trade Payables		
Trade Payable	11,274,641	10,219,036
Total	11,274,641	10,219,036
Note 2.7 Other current Liabilities		
Current maturities of Long term Borrowings		
From banks	49,480,000	49,480,000
From Financial Institution	15,000,000	15,000,000
Other Current Liabilities	8,552,149	7,229,142
Total	73,032,149	71,709,142
Note 2.8 Short Term Provisions		
Provision for leave encashment	40,070	58,794
Total	40,070	58,794

TD Toll Road Private Limited
Notes to Financial Statements for the year ended 31st March 2015

Note 2.09 Tangible Assets

Particulars	Gross Block			Depreciation			Net Block	
	As at April 1, 2014	Additions	As at March 31, 2015	As at April 1, 2014	Additions during the year	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Furniture and Fixtures	228,585	14,000	242,585	173,829	9,875	183,704	58,881	54,756
Office Equipments	1,637,878	2,733,633	4,371,511	413,327	471,112	884,439	3,487,072	1,224,551
Computer	75,236	-	75,236	5,693	5,685	11,378	63,858	69,543
Total Tangible Assets	1,941,699	2,747,633	4,689,332	592,849	486,672	1,079,521	3,609,811	1,348,850

Note 2.10 Intangible Assets

Particulars	Gross Block			Amortisation			Net Block	
	As at April 1, 2014	Additions	As at March 31, 2015	As at April 1, 2014	Additions during the year	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Computer Software	329,073	-	329,073	311,674	945	312,619	16,454	17,399
Toll Collection Rights	5,393,236,563	-	5,393,236,563	75,801,159	35,460,370	111,261,529	5,281,975,034	5,317,435,404
Total Intangible Assets	5,393,565,636	-	5,393,565,636	76,112,833	35,461,315	111,574,148	5,281,991,488	5,317,452,803

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

	31-Mar-15 Rs	31-Mar-14 ₹
Note 2.11 Cash and Bank Balance		
a) Cash and Cash Equivalents		
Balances with banks in -		
Current Account	13,862,703	18,736,142
Cash on hand	1,069,648	2,951,810
	<u>14,932,351</u>	<u>21,687,952</u>
b) Other Bank Balance		
Bank deposits with more than 3 months maturity	5,000,000	5,000,000
	<u>5,000,000</u>	<u>5,000,000</u>
Total	<u>19,932,351</u>	<u>26,687,952</u>
Note 2.12 Short Term Loans and Advances		
Advance Income Tax (Net of provision for Income Tax)	5,740,097	3,981,937
Recoverable from Government Authorities	15,346,076	11,963,573
Prepaid Expenses	1,505,359	1,383,339
Security deposits	151,650	151,650
Other Receivables	2,188,115	1,805,347
	<u>2,188,115</u>	<u>1,805,347</u>
Total	<u>24,931,297</u>	<u>19,285,846</u>
Note 2.13 Other Current Assets		
Interest Accrued on FDR	121,955	122,636
	<u>121,955</u>	<u>122,636</u>
TOTAL	<u>121,955</u>	<u>122,636</u>

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

	31-Mar-15	31-Mar-14
Note 2.14 Revenue from Operations		
Sale of services - Toll Collection	285,701,681	280,627,965
Grant from NHA	171,600,000	171,600,000
Leasing of Advertisement Space	-	26,400
Total	457,301,681	452,254,365
Note 2.15 Other Income		
Dividend Income	1,716,945	1,067,974
Net gain/loss on sale of investments	-	53,797
Interest Income	498,644	446,274
Total	2,215,589	1,568,045
Note 2.16 Employee Cost		
Salaries and incentives	6,259,354	9,648,498
Contributions to -		
Provident fund	211,857	319,140
Gratuity fund contributions	(85,502)	363,562
Total	6,385,709	10,331,200
Note 2.17 Other Expenses		
Toll Operation & Maintenance Exps.	34,368,899	25,662,043
Electricity Expenses	3,864,215	4,284,938
Insurance	1,922,371	3,471,623
Travelling & Conveyance	638,554	588,126
Rates and taxes	147,854	169,590
Legal And Professional Charges	11,449,321	7,193,048
Auditors' Remuneration		
For Audit Fees	350,000	350,000
For Certification Charges	100,000	13,000
Vehicle expenses	1,508,315	3,594,249
Security Guard Exps	1,259,011	1,135,006
Printing & Stationery	429,083	188,790
Other Misc. Exps	1,051,729	698,599
Total	57,089,352	47,349,012
Note 2.18 Finance Costs		
Interest Expenses	348,154,299	351,431,503
Lead Managers' Fees	4,067,853	4,149,723
Total	352,222,152	355,581,226

TD Toll Road Private Limited
Notes to Financial Statements for the year ended 31st March 2015

2.19 Earning per Share

Particulars		Year ended March 31, 2015	Year Ended March 31st, 2014
₹			
Basic / Diluted Earning Per Share:			
Profit after taxation as per Statement of Profit and Loss	(A)	6,581,925	4,804,772
Weighted average number of Equity Shares Outstanding	(B)	10,744,920	10,744,920
Basic / Diluted Earning Per Share (in Rupees)	(A)/(B)	0.61	0.45
Nominal value of equity share (in Rupees)		10.00	10.00

2.20 Related Party Transaction

Related Party Disclosure as required by Accounting Standard (As) - 18 "Related Party Disclosures" Issued by The Institute of Chartered Accountants of India:

Relationship : -

(A) Name of the Holding Company : - **Reliance Infrastructure Limited**

Transactions carried out with related parties in the ordinary course of business and the year end balances thereagainst:

NATURE OF TRANSACTIONS:	Amount in Rs.	
	APRIL 2014 - MARCH 2015	APRIL 2013 - MARCH 2014
Expenses debited into Statement of Profit & Loss		
Reimbursement of Expenses	225,843	275,928
Toll Operation & Maintenance Exps	6,876,432	3,385,396
Borrowing		
Inter Corporate Deposit accepted (repaid/transfer)	-	(80,000,000)
Sub-Ordinate Debts	27,000,000	110,500,000
OUTSTANDING AT THE YEAR END		
CREDIT		
Equity Share Capital	52,650,110	52,650,110
Security Premium	967,150,800	967,150,800
Sub-Ordinate Debts	137,500,000	110,500,000
Toll Operation & Maintenance Exps	-	3,064,258

In view of there being no transactions with fellow subsidiaries, the name of all the fellow subsidiaries have not been given.

TD Toll Road Private Limited

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

2.21 Employee Benefits:

Disclosure as required by Accounting Standard (AS) - 15 (Revised 2005) "Employee Benefits" issued by ICAI are given below:

(A) Defined Contribution Plans

- a) Provident Fund
- b) State defined contribution plans
 - Employers' Contribution to Employees' Deposit Linked Insurance
 - Employers' Contribution to Employees' Pension Scheme, 1995

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

(B) Defined Benefit Plans

- a) Gratuity
- b) Leave Encashment

Gratuity is payable to employees who has rendered continuous services for more than 5 years at the rate of 15 days of service for each completed year of services or part thereof in excess of 6 months subject to maximum of Rs. 10 Lac

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

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

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

(i) Defined Benefit Plan	Leave Encashment		Gratuity	
	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2015	Year Ended March 31, 2014
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Current service cost	2.37	2.50	1.84	1.95
Interest cost on benefit obligation	1.40	1.21	1.18	0.97
Expected return on plan assets	-	-	(1.29)	(1.01)
Net actuarial (gain) / loss recognised during the year	(5.57)	(2.31)	(4.71)	0.97
Losses/(Gains) on "Acquisition/Divestiture"			-	-
Effect of the limit in Para 59 (b)			2.12	0.21
Current service cost	(1.80)	1.40	(0.86)	3.09

(ii) Defined Contribution Plan	Provident Fund	
	Year Ended March 31, 2015	Year Ended March 31, 2014
	(Rs. in lacs)	(Rs. in lacs)
Current service cost	2.12	3.19

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

	Leave Encashment		Gratuity	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Present value of obligation	10.50	13.67	9.27	11.71
Less: Fair value of plan assets	-	-	17.03	15.63
Amount not recognized as an Asset			2.34	0.21
Net Asset/ (Liabilities) recognised in Balances Sheet	(10.50)	(13.67)	5.42	3.71

c) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:				
	Leave Encashment		Gratuity	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Opening defined benefit obligation	13.67	12.89	11.71	10.41
Interest cost	1.40	1.21	1.18	0.97
Current service cost	2.37	2.50	1.84	1.95
Benefits paid	(1.37)	(2.31)	(0.86)	(1.70)
Liabilities assumed on Acquisition/9Settled on Divestiture)	-	-	-	-
Actuarial (gains)/loss on obligation	(5.57)	(0.62)	(4.60)	0.08
Closing defined benefit obligation	10.50	13.67	9.27	11.71
d) Changes in the fair value of plan assets are as follows:				
	Leave Encashment		Gratuity	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Opening fair value of plan assets	-	-	15.63	12.25
Expected return	-	-	1.29	1.01
Contributions made by employer during the year	1.37	0.62	0.86	4.95
Benefits paid	(1.37)	(0.62)	(0.86)	(1.70)
Actuarial Gain/(Loss) on plan assets	-	-	0.11	(0.88)
Assets Acquired on Acquisition /(Distributed on Divestiture)	-	-	-	-
Closing fair value of plan assets	-	-	17.03	15.63
e) Expected contribution to defined benefit plan for the year 2015-16				
	Leave Encashment (Rs. in lacs)		Gratuity (Rs. in lacs)	
	0.4		Nil	
f) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:				
	Leave Encashment		Gratuity	
Particulars	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
	%	%	%	%
Investments with insurer under: (a) Funds Managed by Insurer	Nil	Nil	100.00	100.00
g) The principal actuarial assumptions at the Balance Sheet date.				
	Leave Encashment		Gratuity	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
Discount rate	7.85%	8.90%	7.85%	8.90%
Expected rate of return on plan assets	0.00%	0.00%	8.25%	8.25%
Mortality Rate	Published rates under the Indian Assured Lives Mortality (2006-08)	Published rates under the Indian Assured Lives Mortality (2006-08)	Published rates under the Indian Assured Lives Mortality (2006-08)	Published rates under the Indian Assured Lives Mortality (2006-08)
Proportion of employees opting for early retirement	4% per annum withdrawal rate at all ages	4% per annum withdrawal rate at all ages	4% per annum withdrawal rate at all ages	4% per annum withdrawal rate at all ages
Retirement Age	58 Yrs	58 Yrs	58 Yrs	58 Yrs
Salary Escalation Rate	7.50%	7.50%	7.50%	7.50%
The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.				

TD Toll Road Private Limited

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

2.22 Segment Reporting

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

2.23 The company has completed the construction activities and based upon the provisional COD received from NHAI, Intangible Assets representing toll collection rights are being recognised from 11th January 2012. Necessary effect, if any, on the variation shall be accounted in the year in which the final COD is received from NHAI. However, in the opinion, of the management the same is not likely to be material.

2.24 On consideration of prudence the deferred tax assets in respect of timing differences have been recognised to the extent of deferred tax liabilities only, resulting in no provision for deferred tax asset/liability.

2.25 Previous year figures have been regrouped and re-arranged wherever necessary to confirm to current period classification.

As per our attached report of even date

For M K P S & Associates
Chartered Accountants
Firm's Regn. No. 302014E

On behalf of the Board,

Narendra Khandal
Partner
Membership No. : 065025
Place : Mumbai
Date :

Mayank Jain
Director
Place : Mumbai
Date :

Madan Biyani
Director