

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF REENGUS SIKAR EXPRESSWAY LIMITED**

Report on the Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

2. The Company's management and Board of Directors 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; 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

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

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

4. 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, 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 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.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 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 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure - "A" 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 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
 - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2016, taken on record by the Board of Directors, 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, we give our separate report in "Annexure - B".



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) Based upon the assessment made by the company of its pending litigation, it is of the view that the pending litigations 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 amounts required to be transferred to the Investor Education and Protection Fund for the year under audit the reporting under this clause is not applicable.

**For MKPS & Associates
Chartered Accountants
FRN 302014E**


CA Narendra Khandal
Partner
M No. 065025



Place: Mumbai
Date: 24/05/16

Annexure – A to the Independent Auditors Report

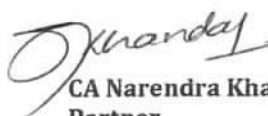
Referred to in para 7 of our report of even date, to the members of Reengus Sikar Expressway Limited for the year ended March 31, 2016

- i) (a) The company's only fixed assets are in the nature of Rights for collection of Annuity, for which relevant details are available. In view of there being no other assets, the reporting requirements under sub-clause (b) and (c) of clause (i) of paragraph 3 of the order are not applicable.
- ii) In our opinion, and according to the information and explanations given to us, the company has sub-contracted the entire construction / operation activities and therefore does not carry any inventories. Hence, the reporting requirements under clause (ii) of paragraph 3 of the order are not applicable.
- iii) In our opinion and according to the information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the reporting requirements under sub-clause (a), (b) and (c) of Clause (iii) of paragraph 3 of the order are not applicable.
- iv) In our opinion and according to the information and explanation given to us, In respect of loans, investments and guarantees, the company has complied with the provisions of Section 185 and 186 of the Act.
- 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 thereunder are not applicable.
- vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act for the company. We have broadly reviewed such records and are of the opinion that prima-facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the 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, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, with the appropriate authorities in India.
According to the information and explanations given to us, there are no undisputed amounts in respect of the aforesaid statutory dues which in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no applicable statutory dues which have not been deposited on account of any dispute.



- viii) Based upon the audit procedures carried out by us and on the basis of information and explanations provided by the management we are of the opinion that the company has not defaulted in repayment of dues to bank. The company does not have any borrowings from financial institution or government. The company has not issued any debentures as at the balance sheet date.
- ix) In our opinion and according to the information and explanations given to us, the term loans taken by the company have been ultimately utilised for the purpose for which they were taken. Further, the company has not raised any funds by way of initial / further public offer.
- x) Based on the audit procedures performed by us for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- xi) According to the information and explanations given to us, the company has neither paid nor provided for any managerial remuneration during the year. Accordingly, the reporting requirements under Clause (xi) of paragraph 3 of the order are not applicable.
- xii) The company is not a Nidhi Company and hence the reporting requirements under clause (xii) of paragraph 3 of the order are not applicable.
- xiii) According to the information and explanations given to us, all transactions entered into by the company with related parties are in compliance with section 177 and 178 of the Act where applicable and the details thereof have been 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 audit.
- xv) As per the information and explanations provided to us, the company has not entered into any non-cash transactions with directors or persons connected with them.
- xvi) In our opinion and according to the information and explanations given to us, the company is not required to be registered under Section 45 - IA of the Reserve Bank of India, 1934.

For MKPS & Associates
Chartered Accountants
FRN 302014E


CA Narendra Khandal
Partner
M No. 065025
Place:
Date 24/05/16



Annexure – B to the Independent Auditors Report

Referred to in para 8 of our report of even date, to the members of Reengus Sikar Expressway Limited for the year ended March 31, 2016

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 Reengus Sikar Expressway 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 (ICAI). 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 I/we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



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.

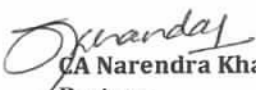
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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".

For MKPS & Associates
Chartered Accountants
FRN 302014E


CA Narendra Khandal
Partner
M No. 065025



Place: Mumbai
Date: 24/05/16

REENGUS SIKAR EXPRESSWAY LIMITED

Balance Sheet as at 31st March, 2016

Particulars	Note	As at 31st March, 2016	As at 31st March, 2015
		₹	₹
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	16,670,000	16,670,000
(b) Reserves and surplus	3	168,507,146	158,437,239
2 Non-current liabilities			
(a) Long-term borrowings	4	1,345,013,957	1,375,935,352
(b) Long term provisions	5	22,000,000	-
3 Current liabilities			
(a) Trade payables	6	12,804,032	-
(b) Short Term Borrowings	7	504,820,987	740,871,330
(c) Other Current Liabilities	8	162,975,079	166,441,328
(d) Short-term provisions	9	2,400,000	-
TOTAL		2,235,191,201	2,458,355,249
B ASSETS			
1 Non-current assets			
(a) Non-current investments	10	1,966,300	1,966,300
(b) Deferred tax assets	11	784,025	-
(c) Other non-current assets	12	1,854,688,546	1,959,910,593
2 Current Assets			
(a) Trade Receivables	13	351,518,803	475,425,953
(b) Cash and Cash equivalents	14	7,151,892	8,338,588
(c) Short-term loans and advances	15	19,081,635	12,713,815
TOTAL		2,235,191,201	2,458,355,249


Accounting Policies and Notes forming part of the Financial Statements 1, 22-30


As per our report of even date attached

For MKPS & ASSOCIATES
FRN 302014E
Chartered Accountants


CA Narendra Khandal
Partner
M. NO. 065025
Place : Mumbai
Date : 24th May 2016

For and on behalf of the Board of Directors


Vinod Kumar Agarwal
Director
DIN : 00182893
Place: Udaipur
Date : 24th May 2016


Purshottam Agarwal
Director
DIN : 00182907




REENGUS SIKAR EXPRESSWAY LIMITED
Statement of Profit and Loss for the year ended 31st March , 2016

Particulars		Note No.	For the year ended	For the year ended
			31st March , 2016	31st March, 2015
			₹	₹
1	Revenue from operations	16	381,123,565	377,739,109
2	Other income	17	14,668	-
3	Total Revenue (1+2)		381,138,233	377,739,109
4	Expenses			
	(a) Contract Expenses incurred	18	5,849,381	2,294,555
	(b) Finance costs	19	176,308,203	234,218,059
	(c) Amortisation expense	12	143,232,829	140,507,801
	(d) Other expenses	20	44,061,938	2,314,334
	Total expenses		369,452,351	379,334,749
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		11,685,882	(1,595,640)
6	Exceptional items		-	-
7	Profit / (Loss) before extraordinary items and tax (5 + 6)		11,685,882	(1,595,640)
8	Extraordinary items		-	-
9	Profit / (Loss) before tax (7 + 8)		11,685,882	(1,595,640)
10	Tax expense:			
	(a) Current tax expense for current year		2,400,000	-
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Net current tax expense		2,400,000	-
	(e) Deferred tax		(784,025)	-
			1,615,975	-
11	Profit / (Loss) for the year (9 -10)		10,069,907	(1,595,640)
	Balance as per last year		(4,942,761)	(3,347,121)
	Transferred to Balance Sheet		5,127,146	(4,942,761)
	No. of Equity Share		500,000	500,000
12	Earnings per share (of ₹ 10/- each):	21		
	(a) Basic		20.14	(3.19)
	(b) Diluted		20.14	(3.19)
	Accounting Policies and Notes forming part of the Financial Statements	1, 22-30		


As per our report of even date attached


For MKPS & ASSOCIATES
FRN 302014E
Chartered Accountants


CA Narendra Khandal
Partner
M. NO. 065025
Place : Mumbai
Date :24th May 2016



For and on behalf of the Board of Directors


Vinod Kumar Agarwal
Director
DIN : 00182893
Place: Udaipur
Date :24th May 2016


Purshottam Agarwal
Director
DIN : 00182907



CASH FLOW STATEMENT

REENGUS SIKAR EXPRESSWAY LIMITED
Cash Flow Statement for the year ended 31st March, 2016

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹	₹
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	11,685,882	(1,595,640)
<i>Adjustments for:</i>		
Depreciation and amortisation exp.	143,232,829	140,507,801
Operating profit / (loss) before working capital changes	154,918,711	138,912,161
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Trade receivables	123,907,150	(375,444,554)
advances	(6,367,820)	1,817,085
Other current assets	-	-
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	-	-
Other current liabilities	(1,066,249)	21,426,513
Long-term provision	22,000,000	-
Cash flow from extraordinary items	-	-
Cash generated from operations	293,391,792	(213,288,795)
Net income tax (paid) / refunds	(2,400,000)	-
Net cash flow from / (used in) operating activities (A)	290,991,792	(213,288,795)
B. Cash flow from investing activities		
Capital expenditure on Financial assets,	(38,010,782)	(37,496,556)
Recovery from mobilization Advance	-	-
Net cash flow from / (used in) investing activities (B)	(38,010,782)	(37,496,556)
C. Cash flow from financing activities		
Proceeds from long-term borrowings	(18,117,363)	(42,789,588)
Proceeds from short-term borrowings	(236,050,343)	292,886,236
Net cash flow from / (used in) financing activities (C)	(254,167,706)	250,096,648
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(1,186,696)	(688,703)
Cash and cash equivalents at the beginning of the year	8,338,588	9,027,291
Cash and cash equivalents at the end of the year	7,151,892	8,338,588
Reconciliation of Cash and cash equivalents with the Balance		
Cash and cash equivalents as per Balance Sheet	7,151,892	8,338,588
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements	-	-
Net Cash and cash equivalents (as defined in AS 3 Cash Flow	7,151,892	8,338,588
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)	-	-
Cash and cash equivalents at the end of the year	7,151,892	8,338,588

See accompanying notes forming part of the financial statements

As per our report of even date attached

For MKPS & ASSOCIATES
FRN 302014E
Chartered Accountants


CA Narendra Khandal
Partner
M. NO. 065025
Place : Mumbai
Date :24th May 2016



For and on behalf of the Board of Directors

Vinod Kumar Agarwal Purshottam Agarwal
Director Director
DIN : 00182893 DIN : 00182907
Place: Udaipur
Date :24th May 2016

NOTE 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES ADOPTED BY THE COMPANY AND NOTES FORMING PART OF

1 Statement of significant Accounting Policies :

A. Background and nature of operations:

Reengus Sikar Expressway Limited (the 'Company') was incorporated in New Delhi, India on April 11, 2011 as a public limited company under the Companies Act, 1956 (the 'Act') as 'Reengus Sikar Expressway Limited'.

The Company is formed as a special purpose vehicle (SPV) to develop, establish, construct, operate and maintain the project relating to Four Laning of Reengus to Sikar Section Km 298.075 Near Madhopura Junction to Km 341.047 (After Sikar Town) of NH-11 (Proposed Chainage Km. 298.05 to Km. 341.962)(Design Length 43.887 Km) in the State of Rajasthan under the Design, Build, Finance, Operation and Transfer (Annuity) basis under NHDP Phase-III.

Service Concession Arrangement entered into between National Highway Authority of India (NHAI) and the company, conferred the right to the Company to implement the project and recover the project cost, through the half yearly annuity payment over concession period commencing after 6 calendar months from the Completion Date. The stipulated start date of the project is March 5, 2012 and stipulated completion date for the construction of the said project is 13 Dec. 2013 .

The Company had entered into an EPC Contract with G R Infraprojects Limited, (the 'Holding Company') on September 12, 2011 to carry out construction activities in line with the Concession Agreement. The construction activities have been completed ahead of schedule for which bonus has been claimed from NHAI. The company has started accruing periodic Annuity Income as per the terms of the concession agreement.

B. Basis of preparation:

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company.

C. Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated and actual materialized results and estimates are recognized in the period, in which the results are known.



F. Impairment

An asset is considered as impaired in accordance with Accounting Standard 28 on "Impairment of Assets" issued by ICAI, when at balance sheet there are indications of impairment and the carrying amount of the assets or where applicable the cash generating unit to which the assets belong, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss.

G. Investment

The investment in property is classified as long term investment. The long term investment are carried at acquisition cost, however, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline. Current Investments are valued at cost or market price whichever is lower.

H. Borrowing Costs:

Borrowing cost attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 on "Borrowing Costs" issued by ICAI, are capitalized as part of the cost of such assets upto the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

I. Revenue Recognition

Annuity Income

The company recognised revenue due from NHAI towards Annuity for the project of time proportion basis as per the terms prescribed under the Concession Agreement. Bonus income for early completion of the project is recognised as per the terms of the concession agreement in case of early completion.

J. Provisions, Contingent Liabilities and Assets:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires outflow of resources, which can be reliably estimated. Disclosures for a contingent liability is made, without a provision in books, when there is an obligation that may, but probably will not, require outflow of resources. Contingent Assets are neither recognized nor disclosed.

K. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby net profits / loss before tax are adjusted for the effect of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The Cash flows from regular revenue generating; investing and financing activities are segregated.

Cash and cash equivalents in the cash flow statement comprises of cash at bank and in hand and term deposits with banks, if any.

L. Accounting for Taxes on Income:

Provision for current income 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 tax profits is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. Deferred tax assets are recognized and carried forward only if there is a virtual/ reasonable certainty that the assets will be realized in future. The carrying amount of deferred tax asset is reviewed at each balance sheet date.

M. Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit / (loss) after tax for the period attributable to equity shareholders of the Company by the weighted average number of equity shares in issue during the period.

Diluted earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Group by the weighted average number of equity shares determined by assuming conversion or exercise of conversion rights for all potential dilutive securities.



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D. Current–non-current classification

All assets and liabilities are classified into current and non-current.

Assets

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

(a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realised within 12 months after the reporting date; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

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

(a) it is expected to be settled in the company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within 12 months after the reporting date; or

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

E. Non Current Assets:

Financial Assets and Amortisation:

Carriageway Cost includes all direct and indirect expenditure on making the annuity project ready for its intended use. This annuity project has been accounted at the cost incurred on the project activity of the Four Laning of Reengus to Sikar Section Km 298.075 Near Madhopura Junction to Km 341.047 (After Sikar Town) of NH-11 (Proposed Chainage Km. 298.05 to Km. 341.962)(Design Length 43.887 Km) in the State of Rajasthan under the Design, Build, Finance, Operation and Transfer (Annuity) basis under NHDP Phase-III. It includes all direct and indirect expenditure.

Carriageways will be amortised over the period of the Concessionaire Agreement according to formula given below depending on the date of completion of the projects not exceeding fifteen years.



4. *[Signature]*



REENGUS SIKAR EXPRESSWAY LIMITED
Notes forming part of Balance sheets as on 31st March 2016

Particulars	As at	As at
	31st March, 2016	31st March, 2015
	₹	₹
Note: 2 Share Capital		
Authorised		
500,000 Equity Shares (P.Y. 500000) of Rs. 10 each	5,000,000	5,000,000
3000,000 10% Non-Cumulative Redeemable Preference Shares of Rs.10 each	30,000,000	30,000,000
	35,000,000	35,000,000
Issued & Subscribed & Paid Up Capital		
500,000 Equity Shares of Rs. 10 each (All shares are being held by holding company G R Infraprojects Ltd.)	5,000,000	5,000,000
11,67,000 10% Non-Cumulative Redeemable Preference Shares of Rs.10 each (Redeemable at premium of Rupees 140 between January 4, 2023 to March 29, 2027)	11,670,000	11,670,000
	16,670,000	16,670,000

(a) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the year :

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the period	500,000	5,000,000	500,000	5,000,000
Issued during the period	-	-	-	-
Outstanding at the end of the year	500,000	5,000,000	500,000	5,000,000

(b) Reconciliation of the Preference Shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the period	1,167,000	11,670,000	1,167,000	11,670,000
Issued during the period	-	-	-	-
Outstanding at the end of the year	1,167,000	11,670,000	1,167,000	11,670,000

(c) Details of shareholders holding more than 5% shares in the company

Equity shares of Rs. 10 each fully paid held by-

Name of share holders	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares	% of holding	No. of shares	% of holding
a) G R Infraprojects Limited	500,000	100	500,000	100
Total	500,000		500,000	

Terms & Conditions attached to equity shares:

(i) The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity share holders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

(ii) Failure to pay any amount called up on shares may lead to forfeiture of the shares.

(iii) On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(d) Preference Shares of Rs. 100 each fully paid up

Name of share holder	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares	% of holding	No. of shares	% of holding
a) G R Infraprojects Limited	1,167,000	100.00	1,167,000	100.00
Total	1,167,000		1,167,000	

Terms & Conditions attached to Preference shares:

The Company has only one class of preference shares, viz. Non cumulative Redeemable preference shares having a par value of Rs. 10 per share. The preference share are Re-deemable at a premium of Rupees 140 between January 4, 2021 to March 29, 2027.

The Dividend Proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting



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REENGUS SIKAR EXPRESSWAY LIMITED
NOTE: FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2016

	As at 31st March , 2016 ₹	As at 31st March, 2015 ₹
Note: 3 Reserves and Surplus		
a) Reserve for Redemption of Preference Share (RRPS)		
Opening Balance as at the beginning of the year	65,352,000	49,014,000
Add: Transferred during the year	16,338,000	16,338,000
	81,690,000	65,352,000
Less: Utilised during the year	-	-
Closing Balance as at the end of the year	81,690,000	65,352,000
b) Securities Premium Account		
Opening Balance as at the beginning of the year	98,028,000	114,366,000
Add: Received during the year	-	-
	98,028,000	114,366,000
Less: Transferred to RRPS during the year	16,338,000	16,338,000
Closing Balance as at the end of the year	81,690,000	98,028,000
c) Statement of Profit & Loss		
Opening Balance as at the beginning of the year	(4,942,761)	(3,347,121)
Add:- Current year Profit /Loss	10,069,907	(1,595,640)
	5,127,146	(4,942,761)
Less: Transferred to RRPS during the year	-	-
Closing Balance as at the end of the year	5,127,146	(4,942,761)
Total (a+b+c)	168,507,146	158,437,239
Note:-4 Long - Term Borrowings		
(Term Loans - Secured from Bank)		
State Bank of Bikaner & Jaipur	786,667,211	804,623,237
Vijaya Bank Udaipur	558,346,746	571,312,115
	1,345,013,957	1,375,935,352
a) Term loans security and repayment details:		
Name of the Bank	Nature of Security	Terms of Repayment
1. State Bank of Bikaner & Jaipur	Terms Loans of Rs. 87.00 Crores secured by first Charge on Revenue and Receivables, Escrow Account and all assets.	Loan is repayable in 24 equal semi-annual installments from March -15 to Sep.'26.
2. Vijaya Bank	Terms Loans of Rs. 61.75 Crores secured by first Charge on Revenue and Receivables, Escrow Account and all assets.	Loan is repayable in 24 equal semi-annual installments from March -15 to Sep.'26.
Note:-5 : Long Term Provision		
Provision for Major Maintenance (as estimated for the likely amount to be incurred)		
Opening as the beginning of the year	-	-
Add: Additions during the year	22,000,000	-
Less: Utilised during the year	-	-
	22,000,000	-



REENGUS SIKAR EXPRESSWAY LIMITED
NOTE: FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2016

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Note:-6 : Trade Payables		
Payable to Micro and Small Enterprises	-	-
<u>Payable to others:</u>		
G R Infraprojects Limited	12,804,032	-
	12,804,032	-
Note:-7 Short Term Borrowing		
Loan from Holding Company (Unsecured, interest bearing, repayable on demand subject to availability of cash flows)	504,820,987	740,871,330
Total	504,820,987	740,871,330
Note:-8 Other Current Liabilities		
<u>Current Maturities of Long Term Borrowing</u>		
State Bank of Bikaner & Jaipur	83,400,000	83,400,000
Vijaya Bank Udaipur	59,200,000	59,200,000
Accrued Interest on term loan	7,088,577	8,235,641
<u>Expenses Payable:</u>		
Alpesh M Surana & Co.	10,000	20,000
Sumit Mutha	-	1,500
Ind. Engineers	1,116,562	-
Audit fees	82,000	54,000
<u>Statutory Dues Payable</u>		
Income tax (TDS)	3,687,856	6,444,317
WCT Sales Tax	668,908	-
<u>Security, Retention and Other Payables</u>		
SD G R Infraprojects Ltd. (Holding Company)	7,721,176	7,721,070
Vaan Infra Pvt Ltd	-	1,364,800
	162,975,079	166,441,328
Note:-9 Short-term Provisions		
Provision for Income Tax	2,400,000	-
	2,400,000	-
Note:-10 Non Current Investment		
Investment in Property Plot at Raigad, Maharashtra	1,966,300	1,966,300
	1,966,300	1,966,300
Note:-11 Deferred Tax Assets		
Timing Difference on account of Amortisation	784,025	-
	784,025	-
Note:-13 Trade Receivables		
(Unsecured, Considered Good)		
<u>Receivable from NHAI</u>		
Due for :		
More than Six Month	332,596,397	287,703,676
Less than Six Month	18,922,406	187,722,277
(Refer Note No. 29)		
Total	351,518,803	475,425,953
Note:-14 Cash and Cash Equivalent		
Cash In Hand	65,838	75,839
Balances with Banks in Current Account:		
SBBJ Bank (Escrow account)	7,049,948	8,262,749
SBBJ Bank	36,106	-
	7,151,892	8,338,588



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REENGUS SIKAR EXPRESSWAY LIMITED

NOTE: FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2016

	As at 31st March , 2016	As at 31st March, 2015
	₹	₹
Note:-15 Short-term Loans and Advances		
Prepaid Insurance	838,311	1,139,099
Anil Kumar Mittal	-	18,000
Recoverable from Govt. Authorities		
TDS	6,942,740	45,891
Income Tax Refundable (Fin.Year 2012-13)	3,579,413	3,579,413
(Fin.Year 2013-14)	-	210,241
Security Deposit with NHAI PIU Reengus	7,721,171	7,721,171
Total	19,081,635	12,713,815
Note:-16 Revenue from Operations		
Annuity from NHAI (Refer Note No. 29)	375,444,554	375,444,554
Contract Income from Utility shifting and others	5,679,011	2,294,555
Total	381,123,565	377,739,109
Note:-17 Other Income		
Interest on Income Tax Refund	14,668	-
Total	14,668	-
Note:-18 Contract Expenses		
Expenses on Utility Shifting etc.	5,849,381	2,294,555
Total	5,849,381	2,294,555
Note:-19 Finance Cost		
Interest Paid to Banks	149,728,363	169,705,343
Interest Paid to Others	26,548,180	64,368,169
Bank Charges	31,660	144,547
Total	176,308,203	234,218,059
Note:-20 Other Expenses		
Concession Fees	1	1
Audit Fees	88,400	67,416
Insurance	1,301,153	1,962,712
Legal & Professional Charges	291,340	283,692
Miscellaneous Expenses	39	513
Operation & Maintenance Exp.	13,166,100	-
Major Maintenance	22,000,000	-
Ind. Engineers	7,214,905	-
Total	44,061,938	2,314,334
Note:- 21 : Earnings Per Share		
Net Profit as per Statement of Profit and Loss for the year	10,069,907	(1,595,640)
Net Profit / (Loss) attributed to Equity Share holders	10,069,907	(1,595,640)
Weighted average number of equity shares of Rs.10 each outstanding	500,000	500,000
Weighted average number of potential equity shares of Rs.10 each outstanding	500,000	500,000
Face Value per share	10	10
Basic Earnings Per Share	20.14	(3.19)
Diluted Earnings Per Share	20.14	(3.19)



NOTE 22 : In current period the redemption of preference share reserves have been created for the redemption of preference share capital out of the Securities Premium during the period.

NOTE 23 : The company operates in only one segment viz. roads and hence the requirements of AS – 17 on Segment Reporting issued by ICAI are not applicable.

NOTE 24 : The company has reviewed the timing difference between the Companies Act and Income Tax Act, based on which it has considering prudence recognised Deferred Tax Assets during the year. The company is certain that it shall be able to realise these assets. The same shall be reviewed at each reporting date.

NOTE 25 : In view of the company having no employees, the requirements under AS-15 issued by the Institute of Chartered Accountants of India are not applicable.

NOTE 26 : RELATED PARTY : Disclosures as required under AS - 18 issued by ICAI:

A. Name and nature of the related party relationship:

Holding Company:

G R Infraprojects Limited

Key Management Personnel:

Vinod Kumar Agarwal

Purshottam Agarwal

Vikas Agarwal

B. Transactions with related parties:

Sr. No.	Particulars	31st March 2016	31st March, 2015
		Rupees	Rupees
1	Cost towards Acquisition of Financial Assets G R Infraprojects Limited	38,010,782	30,836,556
2	Advance Received G R Infraprojects Limited	157,577,024	338,971,236
3	Advance given back G R Infraprojects Limited	393,627,367	46,085,000

C. Balances with related parties:

Sr. No.	Particulars	31st March 2016	31st March, 2015
		Rupees	Rupees
1	Security, Retention and Other Payables G R Infraprojects Limited	7,721,176	7,721,176
2	Short Term Borrowings G R Infraprojects Limited	504,820,987	740,871,330



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NOTE 27 : Contingent Liabilities and Commitments

	(Amount in Rs.)	
a) Unexpired Capital Commitments (net of advances)	9,930,201	47,940,983
b) Other Commitments	Nil	Nil
c) Contingent Liabilities	Nil	Nil

NOTE 28 : Micro and small enterprises as defined under the MSMED Act, 2006

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

NOTE 29 : The company has completed the construction of the project before the scheduled dates as per the Concession Agreement, for which the COD is awaited. The company has preferred claim for Bonus for early completion (in the earlier year) as well as full Annuity as per the provisions of the concession agreement. Certain stretch could not be completed due to non-availability of land. NHAI has been disputing the payment of bonus contending that the full stretch of the project has not been completed. On the same grounds NHAI has been releasing annuity in proportion to the stretch completed. However, as per the opinion taken by the company it is eligible for the full amount of annuity as the non completion of certain part is not attributable to it.

The company has preferred claims on both accounts and is certain that the amount shall be fully recovered. Pending settlement of dispute and receipt of some annuity payments from NHAI no provision is considered necessary for the Trade Receivables.

NOTE 30 : Previous Year Comparatives

Previous year figures has been regrouped, rearranged and reclassified to confirm to current year's classification


As per our report of even date attached


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

For and on behalf of the Board of Directors


CA Narendra Khandal
Partner
M. NO. 065025
Place : Mumbai
Date :24th May 2016




Vinod Kumar Agarwal
Director
DIN : 00182893
Place: Udaipur
Date :24th May 2016


Purshottam Agarwal
Director
DIN : 00182907



NOTE: FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2016

(In Rs.)

PARTICULARS	Gross Block		Depreciation / Amortization Amount		NET BLOCK	
	Opening Balance	As at March 31, 2016	Opening Balance	For the Year	As at March 31, 2016	As at March 31, 2015
Financial Assets: Right for Annuity receivable from NHAI	2,137,240,725	2,175,251,507	177,330,132	143,232,829	320,562,961	1,959,910,593
TOTAL	2,137,240,725	2,175,251,507	177,330,132	143,232,829	320,562,961	1,959,910,593

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