

**PUNE SHOLAPUR ROAD DEVELOPMENT
COMPANY LIMITED**

FINANCIAL STATEMENT

2014-15

INDEPENDENT AUDITOR'S REPORT

To the members of PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED, ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the 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

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 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on 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

Accounting policy regarding amortization/depreciation is not in conformity with AS-26-“Intangible Assets” read with AS-16 ‘Borrowing Cost’ issued by the Institute of Chartered Accountants of India. This has resulted in understatement of income i.e toll revenue by Rs.7165,33,757 and understatement of expenses by Rs. 134,15,40,993 (amortization/depreciation by Rs. (23,79,018), borrowing cost by Rs.1,27,32,89,746 , administrative expenses by Rs. 89,62,362 and Operating expenses by Rs. 6,16,67,903) and understatement of Intangible assets by Rs13,98,13,39,298 and over statement of ‘Intangible Assets under Development by Rs. 1496,25,68,460(Previous Year Figure Rs. 1433,76,52,046)

Had the Intangible Assets under development been capitalized as “Intangible Asset”, depreciation for the year would be Rs 11,58,57,503 (Previous Year Figure Rs.6,00,45,114)

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 2015 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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.

1. 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, Statement of Profit and Loss and Cash Flow Statement dealt with this Report are in agreement with the books of account;
 - d) 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;
 - e) On the basis of written representations received from the directors, as on 31st March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) 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:
 - a. The Company does not have any pending litigations which would impact its financial position.



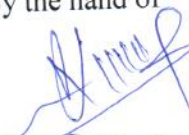
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For GIANENDER & ASSOCIATES

Chartered Accountants

Regn. No. 04661N

By the hand of



Ramesh Koul

Partner

M. No. 077804

Place : New Delhi

Date :

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

Re: PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

- i.
 - a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) Fixed assets have been physically verified by management at the end of the year which, in our opinion, is reasonable having regard to the size of the Company and nature of its asset and no serious discrepancies have been noticed on such verification.
- ii. There are no inventories as company is engaged in the business of infrastructure development and maintenance and hence Para 3 clauses (ii)(a),(ii)(b) and (ii)(c) of the Companies (Auditor's Report) Order 2015 relating to inventory are not applicable.
- iii. The Company has not granted secured / unsecured loans to parties covered in the register maintained under section 189 of the Act. Accordingly, sub-clause (a) and (b) are not applicable
- iv. In our opinion and according to the information and explanations given to us, the internal control procedures are generally adequate and commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and for toll collection. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls system.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, are not applicable to the Company.
- vi. According to the information and explanations given to us, we are of the opinion that prima facie, cost records prescribed, pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 of the Act, are made and maintained.
- 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 is generally regular in depositing undisputed statutory dues relating to provident fund, income tax deducted at source, service tax, value added tax and other statutory dues during the year with the appropriate authorities. We are informed that the provisions of employees' state insurance, wealth tax, duty of customs, duty of excise, cess are not applicable to the company. As per the records produced before us, there are no undisputed statutory dues which were outstanding as on 31st March 2015 for a period over six months from the date of same becoming payable.
 - b) According to the information and explanations given to us, there are no statutory dues pending in respect of income tax, sales tax, value added tax, service tax, duty of customs, wealth tax, duty of excise, cess on account of any dispute.
 - c) According to the information and explanations given to us, no amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder.
- viii. The Company accumulated losses of the company are less than fifty percent of its net-worth. Company has incurred cash loss during the year and also in the immediately preceding financial year.



- ix. According to the information and explanations given to us the Company has not defaulted in repayment of dues to financial institutions or banks. The Company has not issued any debentures
- x. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. According to the information and explanations given to us the Company, the loans taken by the company were applied for the purpose for which the loans were obtained.
- xii. According to information and explanations given to us, which have been relied upon by us, no fraud on or by the Company has been noticed or reported during the year.

For GIANENDER & ASSOCIATES

Chartered Accountants

Regn. No. 04661N

By the hand of



Ramesh Koul

Partner

M. No. 077804

Place : New Delhi

Date :

PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Balance Sheet as at March 31, 2015

Particulars		Note	As At March 31, 2015		As At March 31, 2014	
I	EQUITY AND LIABILITIES					
1	SHAREHOLDERS' FUNDS					
	(a) Share Capital	2	1,76,00,00,000		1,76,00,00,000	
	(b) Reserves and surplus	3	2,85,45,37,306	4,61,45,37,306	2,85,77,53,564	4,61,77,53,564
2	NON-CURRENT LIABILITIES					
	(a) Long-term borrowings	4 (A)	8,96,59,45,200		9,31,07,10,000	
	(b) Other long term liabilities	6	43,95,30,913		42,33,35,193	
	(c) Long-term provisions		-	9,40,54,76,113	-	9,73,40,45,193
3	CURRENT LIABILITIES					
	(a) Current maturities of long-term debt	4 (B)	34,47,64,800		15,32,28,800	
	(b) Short-term borrowings	5	1,65,70,00,000		50,00,00,000	
	(c) Other current liabilities	7	2,38,51,16,680		2,16,88,22,488	
	(d) Short-term provisions	8	24,000	4,38,69,05,480	17,836	2,82,20,69,124
	TOTAL			18,40,69,18,899		17,17,38,67,881
II	ASSETS					
1	NON CURRENT ASSETS					
	(a) Fixed assets	9	77,10,179		53,31,161	
	(i) Tangible assets		18,27,50,06,663	18,28,27,16,842	17,00,44,27,457	17,00,97,58,618
	(ii) Intangible assets under development			2,30,72,918		2,49,51,693
	(b) Long-term loans and advances (net)	10				
2	CURRENT ASSETS					
	(a) Cash and cash equivalents	13	2,09,74,721		2,99,73,032	
	(b) Short-term loans and advances	11	8,01,54,418		9,03,51,081	
	(c) Other current assets	12	-	10,11,29,139	1,88,33,457	13,91,57,570
	TOTAL			18,40,69,18,899		17,17,38,67,881

Note 1 to 22 forms part of the financial statements.

As per our report of even date attached
For Gianender & Associates
 Chartered Accountants
 Firm Registration No. 004661N


Ramesh Koul
 Partner
 Membership Number : 077804
 Place: Mumbai
 Date:



For and on behalf of the Board


 Director


 Director


 Chief Financial Officer


 Manager

PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Statement of Profit and Loss for the year ended March 31, 2015

Particulars	Note	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
I Revenue from operations		-	-
II Other income		-	-
III Total revenue (I + II)		-	-
IV Expenses			
Finance costs	15	7,42,365	9,87,504
Administrative and general expenses	16	24,73,893	69,93,929
Preliminary / Miscellaneous Expenditure Written Off		-	-
Depreciation and amortization expense		-	-
Total expenses		32,16,258	79,81,433
V Profit / (Loss) before tax (III-IV)		(32,16,258)	(79,81,433)
VI Tax expense:			
(1) Current tax		-	-
(2) Tax relating to earlier period		-	-
(3) Deferred tax		-	-
Total tax expenses (VI)		-	-
VII Profit / (Loss) for the year (V-VI)		(32,16,258)	(79,81,433)
Earnings per equity share (Face value per share Rupees 10/-):	17		
(1) Basic (not annualised)		(0.02)	-0.05
(2) Diluted (not annualised)		(0.02)	-0.05

Note 1 to 22 forms part of the financial statements.

As per our report of even date attached

For Gianender & Associates

Chartered Accountants

Firm Registration no. 004661N

Ramesh Koul

Partner

Membership Number : 077804

Place: Mumbai

Date:



For and on behalf of the Board

Director

Director

Chief Financial Officer

Manager

PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Cash Flow Statement for the year ended March 31, 2015

Particulars	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
Cash Flow from Operating Activities		
Profit / (Loss) Before Tax	(32,16,258)	-79,81,433
Adjustments for :-		
Depreciation	-	-
Miscellaneous Expenses (Wealth tax)	-	-
Operating profit / (Loss) before Working Capital Changes	(32,16,258)	(79,81,433)
Cash Generated from Operating Activities	(32,16,258)	(79,81,433)
Payment of Taxes	(17,98,898)	(1,09,66,032)
Net Cash generated / (used) in Operating activity (A)	(50,15,156)	(1,89,47,465)
Cash flow from Investing Activities		
Interest received	90,822	-
Purchase of Tangible Fixed Assets other than road	-	-
Purchase of development Fixed Assets (Including intangible assets)	(1,13,62,68,066)	(3,38,57,41,442)
Net Cash (used in) / generated from Investing Activities (B)	(1,13,61,77,244)	(3,38,57,41,442)
Cash flow from Financing Activities		
Issue of Equity Share Capital	-	20,80,00,000
Increase / (Decrease) in Advance towards capital	-	-
Proceeds from Long Term Borrowings	-	1,89,00,30,000
Repayment of Long Term Borrowings	(15,32,28,800)	(7,66,14,400)
Proceeds from Short Term Borrowings	1,15,70,00,000	50,00,00,000
Repayment of Short Term Borrowings	-	-
Interest and finance expense	12,84,22,889	1,53,67,168
Grant Received	-	86,83,60,330
Net Cash from Financing Activities (C)	1,13,21,94,089	3,40,51,43,098
Net Increase in Cash & Cash Equivalents (A+B+C)	(89,98,311)	4,54,042
Cash and Cash Equivalents at the beginning of the year	2,99,73,032	2,95,18,990
Cash and Cash Equivalent at the end of the period	2,09,74,721	2,99,73,032
Net Increase / (Decrease) in Cash & Cash Equivalents	(89,98,311)	4,54,042

Footnote:

Components of Cash & Cash Equivalent	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
Cash on hand	30,12,843	63,67,381
Balances with Banks in current accounts	1,79,61,878	2,36,05,651
Fixed deposits placed for a period less than 3 months	-	-
	2,09,74,721	2,99,73,032
Fixed deposits placed for a period exceeding 3 months	-	-
Cash and Cash Equivalents as per Balance Sheet	2,09,74,721	2,99,73,032

Note 1 to 22 forms part of the financial statements.

As per our report of even date attached

For Gianender & Associates

Chartered Accountants

Firm Registration no. 004661N

Ramesh Koul

Partner

Membership Number : 077804

Place: Mumbai

Date:



For and on behalf of the Board

Director

Director

Chief Financial Officer Manager

PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2015

Note No. 1 - Significant Accounting Policies

I Background

The Company has been set up with the main object of design engineering construction development finance operation and maintenance of 4 laning of Pune-Sholapur Section of NH-9 from KM 144.400 to KM 249.000 in the state of Maharashtra under NHDP phase III on Design Build Finance Operate and Transfer (DBFOT) basis. The Company has entered into a Concession Agreement on September 30, 2009 with the National Highways Authority of India (NHAI), under the terms of which, the Company has obtained a Concession to Design, Finance, Construct, Operate and Maintain the Project for a period of 19 years 295 days commencing from the appointed date 28/9/2011 including construction period of 910 days required for 4 laning of the Project.

II Basis of Accounting

The financial statement is prepared in accordance with the Generally Accepted Accounting Principles in India, Accounting Standards as per section 133 of the companies act 2013 read with rule 7 of companies (accounts) rules 2014

III Use of estimates

The preparation of financial statements in conformity with IGAAP requires the Management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of financial statements. The recognition, measurement, classification or disclosures of an item or information in the financial statements have been made relying on these estimates to a greater extent.

IV Fixed Assets and Depreciation

i) Tangible fixed assets and depreciation

Tangible fixed assets acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition cost includes the purchase price (excluding refundable taxes) and expenses, such as delivery and handling costs, installation, legal services and consultancy services, directly attributable to bringing the asset to the site and in working condition for its intended use.

Where the construction or development of any asset requiring a substantial period of time to set up for its intended use is funded by borrowings, the corresponding borrowing costs are capitalised up to the date when the asset is ready for its intended use.

Depreciation on tangible fixed assets is computed as under:

As per notification dated, March 26, 2014 issued by the Ministry of Corporate Affairs, Schedule II of the Companies Act 2013 comes into effect from April 1, 2014 which prescribes the useful life of depreciable assets. The Company has adopted the useful life prescribed under the Schedule II of the Companies Act 2013. Also, with effect from April 1, 2014 the Company has decided to change the policy retrospectively for charging depreciation on the basis of Straight Line Method in place of Written Down Method other than those specified otherwise. Accordingly the Company has reinstated its policy for charging depreciation with effect from April 1, 2014 which is as below:

- (i) Assets purchased on or after April 1, 2014 are depreciated on Straight Line Method, over the useful life of assets as prescribed under Schedule II of the Companies Act 2013 other than assets specified in para (ii) below
- (ii) Following assets are depreciated over a useful life which is shorter than the life prescribed under Schedule II of the Companies Act 2013 based on the Management's estimate
- (iii) Data Processing Equipment – Server and Networking equipment are depreciated over a period of 4 years
- (iv) Mobile Phones and Ipad / Tablets are fully depreciated in the year of purchase
- (v) Specialised office equipment's are depreciated on Straight Line Method over a period of three years
- (vi) Cars purchased by the company for employees, are depreciated over a period of five years
- (vii) Assets provided to employees are depreciated over a period of three years
- (viii) Leasehold improvement costs are capitalised and amortised over the period of lease agreement
- (ix) All categories of assets costing less than Rs. 5,000 each are fully depreciated in the year of purchase.
- (x) The residual value of all the assets is retained at Rs. 1/- each

V Impairment of Assets

The carrying values of assets of the Company's cash-generating units are reviewed for impairment annually or more often if there is an indication of decline in value. If any indication of such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognised, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor.



VI Borrowing Cost

In respect of an intangible asset, borrowing costs attributable to the construction of the roads are capitalised up to the date of receipt of the final completion certificate of the asset / facility received from the authority for its intended use of construction asset / facility as specified in the Concession Agreement. All borrowing costs subsequent to receipt of the final completion certificate construction of the asset / facility as specified in Concession Agreement are charged to the Statement of Profit and Loss in the period in which such costs are incurred.

VII Employee Costs

Employee Costs include Short term employee benefits such as Salaries, Incentives etc., as defined in AS -15 on Employee Benefits. The same are recognised as an expense in the period in which the service is rendered by the concerned employee to the company. Company does not have any Defined Benefit or Defined Contribution plans.

VIII Preliminary Expenditure

Preliminary Expenses incurred on incorporation of the Company are charged to the Statement of Profit & Loss in the period during which these expenses are incurred.

IX 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.

X 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.

XI Cash Flow Statements

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.

XII 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 on exercise of conversion rights for all potential dilutive securities.

XIII Current/Non-Current Assets and Liabilities

Assets are classified as current when it satisfies any of following criteria:

- It is expected to be realized within 12 months after the reporting date,
- It is held for trading purpose

All other assets are classified as Non-current

Liabilities are classified as current when it satisfies any of following criteria:

- It is expected to be settled within 12 months after the reporting date,
- It is held for trading purpose

All other liabilities are classified as Non-current



PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 2: Share capital

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number		Number	
Authorised				
Equity Shares of Rupees 10/- each	17,60,00,000	1,76,00,00,000	20,00,00,000	2,00,00,00,000
Issued				
Equity Shares of Rupees 10/- each	17,60,00,000	1,76,00,00,000	17,60,00,000	1,76,00,00,000
Subscribed and Paid up				
Equity Shares of Rupees 10/- each fully paid (Refer footnotes I, ii and iii)	17,60,00,000	1,76,00,00,000	17,60,00,000	1,76,00,00,000
Total	17,60,00,000	1,76,00,00,000	17,60,00,000	1,76,00,00,000

Foot Notes:

i. Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. Each holder of these ordinary shares are entitled to receive dividends as and when declared by the company. 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 proportionate to the number of equity shares held by the shareholders. Of the above, 160,000,000 (previous year 160,000,000) shares are held by the IL&FS Transportation Networks Limited, being the Holding Company.

Particulars	As at March 31, 2015		As at March 31, 2014	
	Equity Shares		Equity Shares	
	No. of Shares		No. of Shares	
Shares outstanding at the beginning of the period / year	17,60,00,000	1,76,00,00,000	16,00,00,000	1,60,00,00,000
Shares issued during the period / year	-	-	1,60,00,000	16,00,00,000
Shares bought back during the period / year	-	-	-	-
Shares outstanding at the end of the period / year	17,60,00,000	1,76,00,00,000	17,60,00,000	1,76,00,00,000

ii. During the year ended March 31, 2015, no dividend is declared by Board of Directors. (Previous year March 31, 2014 - Nil)

iii. Shareholding more than 5% shares

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	% of total holding	No. of Shares held	% of total holding
IL&FS Transportation Networks Limited & Its Nominees	16,00,00,000	90.91%	16,00,00,000	90.91%
East Nippon Expressway Company (NEXCO)	1,60,00,000	9.09%	1,60,00,000	9.09%
Total	17,60,00,000	100.00%	17,60,00,000	100.00%

Note 3 : Reserves and surplus

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Securities Premium Account				
Opening balance	4,80,00,000		-	
(+) Securities premium credited on Share issue	-		4,80,00,000	
(-) Premium utilised for various reasons	-	4,80,00,000	-	4,80,00,000
(b) Capital Reserve				
Grant from National Highways Authority of India				
Opening balance	2,82,95,32,621		1,96,11,72,291	
(+) Current year addition	-		86,83,60,330	
(-) Written back in current period/ year	-		-	
Closing Balance		2,82,95,32,621		2,82,95,32,621
(c) Profit / (Loss) Surplus				
Opening balance	(1,97,79,057)		(1,17,97,624)	
(+) Profit for the current period / year	(32,16,258)		(79,81,433)	
Closing Balance		(2,29,95,315)		(1,97,79,057)
Total		2,85,45,37,306		2,85,77,53,564



PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 4 (A) : Long-term borrowings

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Term Loans				
(i) Secured				
From banks	8,96,59,45,200		9,31,07,10,000	
From Related party	-	8,96,59,45,200	-	9,31,07,10,000
Total		8,96,59,45,200		9,31,07,10,000

Note 4 (B) : Current Maturities of Long-term debt Break-up

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Term Loans				
(i) Secured				
From banks	34,47,64,800		15,32,28,800	
From Related party	-	34,47,64,800	-	15,32,28,800
Total		34,47,64,800		15,32,28,800

Footnotes:

Secured by hypothecation of:

(i) All movable, tangible and intangible assets other than the Project Assets;

(ii) All the monies lying in Escrow Account into which all the investments in the Project and all Project revenues, Receivables, Cash and insurance proceeds in Project accounts, Debt Service Reserve Account and any other bank accounts relating to/connected with the Project and all rights, title, interest, benefits, claims and demands whatsoever of the Borrower in, to, under and in respect thereof and all monies including all cash flows and receivables and all proceeds arising from / in connection with the Project and all insurance proceeds payable into the said accounts, which have been/are deposited / credited / lying therein, all investments, assets, instruments and securities which represent amounts in the said accounts, both present and future, provided such charge over the Escrow Account shall only be to the extent permissible as per the water fall of priorities specified in the Concession Agreement and Escrow Agreement.

(iii) All contractual rights, assignment rights, applicable permits, title, interest, benefits, claims and demands whatsoever of the Borrowers in, to under and or in respect of all the Project Agreements including agreements, contracts, indemnities, guarantees, and all other documents/writings in respect of the Project and all licences, security, permits, approvals and consents in respect of the Project which are now executed or hereafter to be executed and delivered by the Borrower, including, without limitation, the right to compel performance thereunder, and to be substituted for the Borrower therein, and to commence and conduct either in the name of the Borrower or in its own name or otherwise any proceedings against any Person in respect of any breach of, the Project

Agreements, including without limitation, rights to recover payments and/or collect any receivables pertaining thereto, and the right to claim the benefits of all rights, entitlements, claims and powers of the Borrower thereunder and enforce the same, including any claims of the Borrower under or in any proceedings against any person(s) in connection therewith; and together with the right to further assign any of the Project Agreements and/or any rights thereunder provided such assignment is limited to and to arise to the extent provided under Substitution Agreement.

(iv) All rights under project guarantees obtained pursuant to construction, development contract or operations contract if any relating to the project provided such assignment shall be limited to and to arise to the extent provided under the Substitution Agreement

(v) Debt Service Reserve Account and other Sub account required to be created by the Borrower under any project Agreement or contract provided such assignment / charge shall be guided by the provision of the Escrow Agreement and limited only to the extent of water fall of priorities permissible as provided in the Escrow Agreement .

Repayment Schedule:

FY ending	Repayment in	% repaid	Amount of Debt Repayment in	Amount of Debt Repayment in
			As at March 31, 2015	As at March 31, 2014
2013	(1 quarterly instalment)			-
2014	(4 quarterly instalment)	0.80%		
2015	(4 quarterly instalment)	1.60%		15,32,28,800
2016	(4 quarterly instalment)	3.60%	34,47,64,800	34,47,64,800
2017	(4 quarterly instalment)	5.00%	47,88,40,000	47,88,40,000
2018	(4 quarterly instalment)	7.20%	68,95,29,600	68,95,29,600
2019	(4 quarterly instalment)	9.60%	91,93,72,800	91,93,72,800
2020	(4 quarterly instalment)	12.00%	1,14,92,16,000	1,14,92,16,000
2021	(4 quarterly instalment)	14.80%	1,41,73,66,400	1,41,73,66,400
2022	(4 quarterly instalment)	16.47%	1,57,72,98,960	1,57,72,98,960
2023	(4 quarterly instalment)	16.47%	1,57,72,98,960	1,57,72,98,960
2024	(3 quarterly instalment)	12.46%	1,15,70,22,480	1,15,70,22,480
Total		100.00%	9,31,07,10,000	9,46,39,38,800



PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 5: Short-term borrowings

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Loans repayable on demand				
(ii) Unsecured				
From Related party	1,65,70,00,000	1,65,70,00,000	50,00,00,000	50,00,00,000
Total		1,65,70,00,000		50,00,00,000



PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 6: Other long term liabilities

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Retention Money Payable				
To related parties	42,91,62,864		41,42,58,636	
To others	1,03,68,049	43,95,30,913	90,76,557	42,33,35,193
Total		43,95,30,913		42,33,35,193

Note 7: Other current liabilities

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Interest accrued but not due on borrowings				
To related parties	14,37,90,058		1,53,67,169	
To others	-	14,37,90,058	-	1,53,67,169
(b) Advance received				
From related parties	-		-	
From others	5,92,81,198	5,92,81,198	5,92,81,198	5,92,81,198
(c) Statutory Dues		4,52,278		87,66,541
(d) Other current liabilities				
From related parties	2,12,02,54,212		2,04,00,47,915	
From others	6,13,38,934	2,18,15,93,146	4,53,59,665	2,08,54,07,580
Total		2,38,51,16,680		2,16,88,22,488

Note 8: Short-term provisions

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Provision for employee benefits.		-		-
(b) Provision for Wealth tax		24,000		17,836
(c) Proposed dividend on equity shares		-		-
(d) Provision for tax on proposed dividend on equity shares		-		-
(e) Provision for overlay expenses (refer foot note no. i)		-		-
Total		24,000		17,836



PUNE SHOLA PUR ROAD DEVELOPMENT COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 11: Fixed assets Movement

Particulars	Gross block				Depreciation			Net block	
	As at April 1st 2014	Additions	Disposals	As at March 31, 2015	As at April 1st 2014	Adjustments / Reclassifications	Charge for the period	As at March 31, 2015	As at March 31, 2014
a) Tangible assets									
Land	8,92,500			8,92,500	-		-	8,92,500	8,92,500
Vehicles	1,49,10,648	-	-	1,49,10,648	1,04,71,990	49,15,575	25,36,557	68,17,676	44,38,658
Data processing equipments	1,56,900	-	-	1,56,900	1,56,897		-	1,56,897	3
Total	1,59,60,048	-	-	1,59,60,048	1,06,28,887	49,15,575	25,36,557	77,10,179	53,31,161
b) Intangible assets Under Development (Refer footnote)									
	17,00,44,27,457	1,27,05,79,206	-	18,27,50,06,663	-		-	18,27,50,06,663	17,00,44,27,457
Grand Total	17,02,03,87,505	1,27,05,79,206	-	18,29,09,66,711	1,06,28,887	49,15,575	25,36,557	18,28,27,16,842	17,00,97,58,618
Previous year	12,71,66,65,482	4,30,37,22,023	-	17,02,03,87,505	90,43,290		15,85,597	17,00,97,58,618	12,70,76,22,192



PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 10: Long-term loans and advances

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Capital Advances				
Secured, considered good	-	-	-	-
To related parties	-	-	-	-
To others	-	-	-	-
Unsecured, considered good			2,07,12,232	
To related parties	-	-	30,43,000	2,37,55,232
To others	30,43,000	30,43,000		
(b) Security Deposits				
Secured, considered good	-	-	-	-
Unsecured, considered good	11,96,461	11,96,461	11,96,461	11,96,461
(d) Other loans and advances				
- Other loans and advances @	1,88,33,457	1,88,33,457	-	-
Total		2,30,72,918		2,49,51,693

Note 11: Short-term loans and advances

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Other loans and advances				
Unsecured, considered good			3,53,20,757	
- Mobilisation & pre-construction advance recoverable	3,05,32,757		10,75,593	
- Prepaid expenses	43,659		2,24,14,699	
- Advance payment of taxes (net of provision)	2,42,13,597		59,61,345	
- WCT Credit Available	74,90,305			
- Advances to Others	1,78,74,100	8,01,54,418	2,55,78,687	9,03,51,081
Total		8,01,54,418		9,03,51,081

Note 12: Other current assets

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Others		-		1,88,33,457
Total		-		1,88,33,457



PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 13: Cash and cash equivalents

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Cash and cash equivalents				
Cash on hand	30,12,843		63,67,381	
Balances with Banks in current accounts	1,79,61,878		2,36,05,651	
Balances with Banks in deposit accounts		2,09,74,721		2,99,73,032
		-		
Total		2,09,74,721		2,99,73,032



PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 14: Contingent liabilities and capital commitments

Contingent liabilities and capital commitments

A) Contingent liabilities :

	Particulars (Name of party & description)	As at March 31, 2015	As at March 31, 2014
	Capital Commitments		
	<i>IL&FS Transportation Networks Limited</i>		
1	Estimated amount of contracts to be executed on capital account and not provided for (net of capital advances in respect of mobilisation)	83,16,20,963	85,44,78,241
2	Estimated amount of contracts to be executed till final project completion date, on Operation & Maintenance (Base price ` 62,000,000/- for base year 2009, escalated @ 5% p.a. upto the end of concession period) and not provided for	1,57,92,999	7,91,29,457
	Other Commitments		
	<i>IL&FS Transportation Networks Limited</i>		
1	Estimated amount of contracts to be executed from schedule project completion date, on Operation & Maintenance (Base price ` 62,000,000/- for base year 2009, escalated @ 5% p.a. upto the end of concession period) and not provided for	2,07,59,06,249	2,07,59,06,249
	<i>IL&FS Trust Company Limited</i>		
1	Estimated amount of contracts to be executed on security trusteeship fees (upto the end of repayment of last installment of term loan) and not provided for	45,00,000	50,00,000

c) Disclose the amount paid/Payable to Auditors :

Sr No	Name of Auditors	Description	As at March 31, 2015	As at March 31, 2014
1	Gianender & Associates	Statutory Fees	2,50,000	2,50,000
2	Gianender & Associates	Other Fess	5,30,000	6,21,896
3	Gianender & Associates	Reimbursement	85,000	38,784
4	Gianender & Associates	ST On Above	1,06,914	1,12,560
			9,71,914	10,23,240



PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 15: Finance costs

Particulars	For the Year Ended March 31, 2015		For the Year Ended March 31, 2014	
(a) Other borrowing costs				
Guarantee commission	-		-	
Finance charges	7,42,365		9,87,504	
Upfront fees on performance guarantee	-	7,42,365	-	9,87,504
		7,42,365		9,87,504

Note 16: Administrative and general expenses

Particulars	For the Year Ended March 31, 2015		For the Year Ended March 31, 2014	
Legal and consultation fees		6,58,592		31,50,110
Travelling & Conveyance		2,03,395		5,10,914
Rates and taxes		54,074		4,39,798
Registration expenses		-		13,28,000
Printing and stationery		79,382		60,722
Directors' fees		3,93,260		4,38,204
Auditors Remuneration		10,66,336		10,23,240
Miscellaneous expenses		18,854		42,941
		24,73,893		69,93,929



PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 17: Earnings per equity share

Particulars	Unit	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
Profit after tax and minority interest	-	(32,16,258.00)	(79,81,433.00)
Premium on preference shares	-	-	-
Tax on premium on preference shares	-	-	-
Profit available for Equity Shareholders	-	(32,16,258.00)	-79,81,433
Weighted number of Equity Shares outstanding	Numbers	17,60,00,000	16,03,50,685
Nominal Value of equity shares	-	10.00	10
Basic Earnings per share	-	(0.02)	(0.05)
Equity shares used to compute diluted earnings per share	Numbers	17,60,00,000	16,03,50,685
Diluted Earnings per share	-	(0.02)	(0.05)



PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 18: Related Party Statement

Related party Disclosures as per AS-18 on "Related Party Disclosure" in respect of the Company as on March 31, 2015 are as follows :

Name of the related parties and description of relationship:

Nature of Relationship	Name of Entity	Acronym used
Ultimate Holding Company	Infrastructure Leasing & Financial Services Limited	IL&FS
Holding Company	IL&FS Transportation Networks Limited	ITNL
Fellow Subsidiaries of Holding Company (with whom there have been transactions during the period)	IL&FS Trust Company Limited	ITCL
	IL&FS Securities Services Limited	ISSL
Key Management personnel	Mr. M Kamalpathy (Manager)	
	Mr. Priyesh Ruia (CFO)	

Transactions / Balances with related parties as mentioned above

Account head	Name of Entity	As at March 31, 2015	As at March 31, 2014
Road Development cost payable(under Head Trade Payables)	ITNL	2,11,12,54,212	2,03,10,47,915
Project Management fees payable(under Head Trade Payables)	ITNL	90,00,000	90,00,000
Retention Money payable	ITNL	42,91,62,864	41,42,58,636
Mobilisation advance given	ITNL	-	2,07,12,232
Equity share capital	ITNL	1,60,00,00,000	1,60,00,00,000
Short Term Loan taken	ITNL	1,65,70,00,000	50,00,00,000
Interest Accrued but Not Due	ITNL	14,37,90,058	1,53,67,169

Transactions for the Year	Name of Entity	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
Project Management fees charge	ITNL	-	5,00,00,000
Road Development cost charge	ITNL	67,67,78,624	3,37,62,78,398
Tolling Fees	ITNL	2,98,39,313	-
Operation & Maintenance Expenses	ITNL	3,18,28,590	3,47,91,395
Deputation Cost	ITNL	6,36,683	8,73,911
Short Term Loan taken	ITNL	1,15,70,00,000	50,00,00,000
Short Term Loan paid	ITNL	-	18,80,00,000
Interest on Short Term Loan paid/accrued	ITNL	14,26,92,107	1,86,47,370
Mobilisation advance adjusted	ITNL	2,07,12,232	14,64,27,341
Guarantee Commission	ITNL	49,23,660	87,08,186
Security Trustee Fees	ITCL	5,61,800	5,61,800
Legal & Consultation Fees	ISSL	18,578	22,472
Director Sitting Fees	Harish Mathur	1,00,000	80,000
Director Sitting Fees	Kazim Raza Khan	50,000	40,000
Director Sitting Fees	Krishna D. Ghag	80,000	80,000
Director Sitting Fees	M B Bajulge	50,000	40,000
Director Sitting Fees	Rajiv Dubey	60,000	-
Director Sitting Fees	Varsha Sawant	10,000	-
Director Sitting Fees	Deep Sen	-	30,000
Director Sitting Fees	Danny Samuel	-	80,000
Director Sitting Fees	Mr Mukund Sapre	-	20,000
Director Sitting Fees	Mr K Ramchand	-	20,000



PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 19:

(a) Result of the change in method of charging depreciation

Particulars	For the year ended March 31, 2015
The charge on account of Depreciation for the year is lower by the amount that would correspond to the method of depreciation previously used and useful lives previously assessed	49,15,575
Carrying amount of assets with revised useful life as Nil, has been charged to Surplus in the Statement of Profit & Loss as at April 1, 2014	
Carrying amount of assets with revised useful life as Nil, has been credited to capital work in progress	

(b) Depreciation / Amortisation Reconciliation :

Particulars	For the year ended March 31, 2015
Depreciation / Amortisation as per addition to accumulated depreciation in Tangible Assets & Intangible Assets Schedule	2379018
Add / Less :	
Impact due to change in depreciation accounting policy	-4915575
Depreciation / Amortisation capitalised in CWIP / Inventory / Other Assets	2536557
Foreign Exchange difference	
Grant Amortization	
Other (please specify)	
Depreciation / Amortisation as per profit & loss account	-



PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 20: Segment Information

The Company is engaged in the business detailed in Note no 1 and thus operates in a single business segment. Also it operates in a single geographical segment. In the absence of separate reportable business or geographical segments, the disclosures required under Accounting Standard (AS)-17 on "Segment Reporting" specified by the Central Government are not applicable.

Note 21: Borrowing Cost

Borrowing costs incurred in respect of borrowings made towards construction of the Project assets are treated as a part of Intangible Assets under Development for subsequent capitalization as on commencement of commercial operations of the road. Borrowing costs incurred subsequent to the capitalisation date are charged to the Statement of Profit and Loss. In accordance of Accounting Standard – 16 "Borrowing Costs", income earned on investment (short term) of funds intermittently surplus but inextricably linked with the project is set off against related borrowing cost.

Note 22: Previous period / year

Figures for the previous year / period have been regrouped, reclassified where necessary, to conform to the classification of the current period.

As per our report of even date attached

For Gianender & Associates
Chartered Accountants
Firm Registration no. 004661N



Ramesh Koul
Partner
Membership Number : 077804

Place: Mumbai

Date:



For and on behalf of the Board



Director



Director



Chief Financial Officer



Manager