

INDEPENDENT AUDITOR'S REPORT

To the Members of Vansh Nimay Infraprojects Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Vansh Nimay Infraprojects 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 significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Director is responsible for the matter stated in Section 134(5) of Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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) Rule, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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 judgements 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 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 standalone financial statements based on our audit.

We have taken into account the provision of the Act, the accounting and auditing standards and matter which are required to include in the audit report under the provision of the Act and the Rule 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 the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 standalone financial Statements.

Opinion

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 Loss and its Cash Flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No 38 forming part of financial statement, the company has incurred net loss of Rs.243,965,080/- during the year ended 31st March, 2016 and has negative net worth of Rs.1,344,554,960/- as at 31st March, 2016. However, based on the management's business plans and financial support from promoters, in the opinion of the management, no adjustment is required to the carrying value of the assets and liabilities of the company as of the Balance Sheet date and accordingly these financial statements have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, and 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) Rule, 2014.
 - (e) On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) the Act.



- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure 2”; and
- (g) With respect to the 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 explanation given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Lakhani & Co. LLP
Chartered Accountants
Firm Regn. No. 105524W/W-100031



Sailesh Katudia
Partner

Membership Number 105529



Place : Mumbai

Date : April 28, 2016

Annexure 1 to the Independent Auditor's Report


[Referred to in our Independent Auditor's Report to the members of **Vansh Nimay Infraprojects Limited** on the standalone financial statements for the year ended 31st March, 2016]

- i.
 - a. the company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b. according to the information and explanations given to us, all the fixed assets have been physically verified, at intervals, by the management, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification;
 - c. the company does not hold any immovable properties;
- ii. as per the information furnished and based on our verification of relevant records, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of verification is reasonable. The discrepancies noticed on verification of physical stocks and the book records were not material and have been properly dealt with in the books of account;
- iii. the company has not granted any loan secured or unsecured loan to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly clause 3(iii) of the Order is not applicable;
- iv. the company has not given any loans, has not made investments, have not given guarantees, and security to parties covered under the provisions of section 185 of the Companies Act, 2013. Accordingly clause 3(iv) of the Order is not applicable;
- v. the company has not accepted any deposits. Accordingly clause 3(v) of the Order is not applicable;
- vi. according to the information and explanations given to us, Central Government has not prescribed the maintenance of cost records specified under sub-section (1) of section 148 of the Companies Act, 2013;
- vii.
 - a. according to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the amount deducted/ accrued in books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable, with the appropriate authorities. Further there are no arrears of outstanding statutory dues as on the last day of the financial year concerned outstanding for a period of more than six months from the date they became payable, *except in case of passenger tax and nutrition tax amounting to Rs.10,71,68,486/- and Rs.5,27,39,892/- respectively;*



- b. according to the information and explanations given to us and the records of the company examined by us, there are no disputed dues payable in respect of provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise and cess which were in arrears, as at 31st March, 2016;
- viii. based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to the banks and financial institution. The company has not issued any debentures;
- ix. the company has not raised moneys by way of initial public offer or further public offer and has not availed any term loans. Accordingly clause 3(ix) of the Order is not applicable;
- x. during the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management;
- xi. the company has not paid any managerial remuneration. Accordingly clause 3(xi) of the Order is not applicable;
- xii. the company is not a Nidhi Company. Accordingly clause 3(xii) of the Order is not applicable;
- xiii. according to the information and explanations given to us and based on our verification of the records of the company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- xiv. the company has not made any preferential allotment or private placement of shares or has not issued any fully or partly convertible debentures during the year. Accordingly clause 3(xiv) of the Order is not applicable;
- xv. the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly clause 3(xv) of the Order is not applicable;
- xvi. the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Lakhani & Co. LLP
Chartered Accountants
Firm Regn. No. 105524W/W-100031


Sailesh Katudia
Partner
Membership Number 105529



Place : Mumbai
Date : April 28, 2016

Annexure 2 to the Independent Auditor's Report

[Referred to in our Independent Auditor's Report to the members of **Vansh Nimay Infraprojects Limited** on the standalone financial statements for the year ended 31st March, 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 Vansh Nimay Infraprojects Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

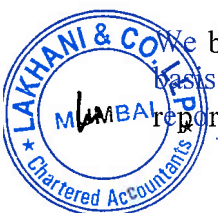
Auditors' Responsibility

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

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

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

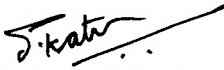
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

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

Place : Mumbai
Date : April 28, 2016

For Lakhani & Co. LLP
Chartered Accountants
Firm Regn. No. 105524W/W-100031


Sailesh Katudia
Partner
Membership Number 105529



VANSH NIMAY INFRAPROJECTS LIMITED

Balance Sheet As At March 31, 2016

Particulars		Note	As At March 31, 2016		As At March 31, 2015	
I	EQUITY AND LIABILITIES					
1	SHAREHOLDERS' FUNDS					
	(a) Share capital	2	158,900,000		158,900,000	
	(b) Reserves and surplus	3	(1,503,454,960)	(1,344,554,960)	(1,259,489,880)	(1,100,589,880)
2	NON-CURRENT LIABILITIES					
	(a) Long-term borrowings	4	-		22,685,910	
	(b) Long-term provisions	5	28,659,207	28,659,207	23,732,182	46,418,092
3	CURRENT LIABILITIES					
	(a) Short-term borrowings	6	898,000,000		753,000,000	
	(b) Trade payables	7	47,026,017		42,871,924	
	(c) Other current liabilities	8	320,144,390		288,637,247	
	(d) Short-term provisions	9	186,726,031	1,451,896,438	156,402,291	1,240,911,462
	TOTAL			136,000,685		186,739,674
II	ASSETS					
1	NON CURRENT ASSETS	10				
	(i) Tangible assets (net)		25,343,118		33,989,130	
	(ii) Intangible assets (net)		12,990,689		37,413,047	
	(iii) Capital work-in-progress		16,445,112	54,778,919	6,918,584	78,320,761
	(b) Non-current investments (net)	11	1,000		1,000	
	(c) Long-term loans and advances	12	1,459,979		2,154,145	
	(d) Other non-current assets	13	4,260,762	5,721,741	3,125,867	5,281,012
2	CURRENT ASSETS					
	(a) Inventories	14	6,184,272		7,001,922	
	(b) Trade receivables (net)	15	15,556,695		12,770,055	
	(c) Cash and bank balances	16	43,562,876		72,134,550	
	(d) Short-term loans and advances	17	7,022,027		8,192,993	
	(d) Other Current assets	18	3,174,155	75,500,025	3,038,380	103,137,900
	TOTAL			136,000,685		186,739,674

Notes 1 to 42 form part of the financial statements.

In terms of our report attached.

For Lakhani & Co. LLP
Chartered Accountants

Sailesh Katudia
Partner



Date : April 28, 2016
Mumbai

For and on behalf of the Board

Managing Director

Director

Chief Financial Officer

Date : April , 2016
Mumbai

Statement of Profit and Loss for the Year Ended March 31, 2016

₹

	Note	Year ended March 31, 2016	Year ended March 31, 2015
I Revenue from operations	19	591,558,949	601,773,263
II Other income	20	7,534,499	14,190,413
III Total revenue (I + II)		599,093,448	615,963,676
IV Expenses			
Operating expenses	21	357,454,483	392,215,981
Employee benefits expense	22	207,233,874	190,570,105
Finance costs	23	120,837,726	108,229,865
Administrative and general expenses	24	120,271,273	98,691,554
Depreciation and amortization expense		37,261,172	85,264,538
Total expenses		843,058,528	874,972,043
V Profit / (Loss) before taxation (IV - III)		(243,965,080)	(259,008,367)
VI Add / (Less) : Exceptional items (Refer Note No. 41)		-	(5,617,749)
VII Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
Total tax expenses (VII)		-	-
VIII Profit / (Loss) for the year (V - VII)		(243,965,080)	(253,390,618)
Earnings per equity share (Face value per share Rupees 10/-):	30		
(1) Basic		(15.35)	(15.95)
(2) Diluted		(15.35)	(15.95)

Notes 1 to 42 form part of the financial statements.

In terms of our report attached.

For Lakhani & Co. LLP
Chartered Accountants

S. K. Katodia
Sailesh Katudia
Partner



Date : April 23, 2016
Mumbai

For and on behalf of the Board






S. K. Katodia
Managing Director

S. K. Katodia
Director

S. K. Katodia
Chief Financial Officer

Date : April , 2016
Mumbai

Cash Flow Statement for the Year Ended March 31, 2016

		Year ended March 31, 2016	Year ended March 31, 2015
₹			
Cash Flow from Operating Activities			
Profit / (Loss) Before Taxes		(243,965,080)	(253,390,618)
Adjustments for :-			
Interest Income		(3,294,618)	(4,560,611)
Finance costs		120,837,726	108,229,865
(Profit) / Loss on sale of fixed assets (net)		(298)	-
Provision for employee benefits (net)		9,084,636	1,464,635
Depreciation and amortization expense		37,261,172	85,264,538
Operating profit before Working Capital Changes		(80,076,462)	(62,992,191)
Adjustments changes in working capital:			
(Increase) / Decrease in Trade receivables		(2,786,640)	(2,134,600)
(Increase) / Decrease in other assets & loans and advances (current and non current)		911,746	1,387,551
Increase / (Decrease) in liabilities (current and non current)		31,604,248	(882,595)
Cash Generated from Operations		(50,347,108)	(64,621,835)
Net Cash generated from Operating Activities	(A)	(50,347,108)	(64,621,835)
Cash flow from Investing Activities			
Additions to fixed assets		(4,192,504)	(21,923,707)
(Increase) / Decrease in Capital WIP		(9,526,528)	7,263,204
Interest received		3,794,984	4,161,540
Net Cash used in Investing Activities	(B)	(9,924,047)	(10,498,963)
Cash flow from Financing Activities			
Proceeds from borrowings		145,000,000	214,560,000
Repayments of borrowings		(85,807,741)	(94,898,853)
Finance costs paid		(27,492,777)	(31,736,116)
Net Cash generated from Financing Activities	(C)	31,699,482	87,925,031
Net Increase / (Decrease) in Cash and Cash Equivalents	(A+B+C)	(28,571,674)	12,804,233
Cash and Cash Equivalent at the beginning of the year		72,134,550	59,330,317
Cash and Cash Equivalent at the end of the year		43,562,876	72,134,550
Net Increase / (Decrease) in Cash and Cash Equivalents		(28,571,674)	12,804,233
₹			
Components of Cash and Cash Equivalents			
Cash on Hand		1,985,797	1,495,618
Balance with Scheduled Banks and Non-Scheduled Banks - Current Accounts		16,615,121	14,597,836
Balance with Scheduled Banks and Non-Scheduled Banks in term deposits (maturity less than 3 months)		24,961,958	56,041,096
Cash and Bank Balances (Refer Note No "16")		43,562,876	72,134,550
Notes 1 to 42 form part of the financial statements.			
In terms of our report attached.			
For Lakhani & Co. LLP Chartered Accountants			
 Sailesh Katudia Partner		For and on behalf of the Board  Managing Director  Director  Chief Financial Officer	
			
Date : April 28, 2016 Mumbai		Date : April , 2016 Mumbai	

VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016

Note No.1 : Significant Accounting Policies

1 Nature of Operations

The Company has been set up with the main object of running, operating and maintaining public transport service within the limit of Nagpur Municipal Corporation (NMC). The company has entered into an agreement with the Nagpur Municipal Corporation on 9th February 2007 under the terms of which, the company has been granted a concession to operate and maintain the project/ project facilities for a period of 10 years commencing on March 2007 and ending on February 2017. The revenue is generated by collecting fare at a specified rate as mentioned in the agreement. The agreement period can be extended for a period of additional 5 years if the services provided by Vansh Nimay Infraprojects Limited (VNIL) are satisfactory. However VNIL entered into a supplementary agreement dated March 3, 2010 towards the right of operating additional 300 city buses and public transport under Jawaharlal Nehru National Urban Renewal Mission (JnnURM). Such supplementary agreement specifies validity period of the total project till ten years from the completion of deployment of such 300 buses. VNIL has to contribute 30% of the cost of JnnURM buses.

2 Basis for preparation of Financial Statements

The Financial Statements have been prepared under the historical cost convention and in accordance with the generally accepted accounting principles in India, the provisions of the Companies Act, 2013, and the applicable Accounting Standards. All income and expenditure having material bearing on the financial statements are recognised on accrual basis and comply with the Accounting Standards prescribed as per section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) rules 2014.

3 Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including current liabilities)

4 Fixed Assets and Depreciation/Amortisation

(a) Tangible fixed assets and depreciation

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

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

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



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016

(b) Intangible fixed assets and depreciation

Intangible fixed assets acquired by the Company are reported at acquisition value of the Right to Operate the Buses, with deductions for accumulated depreciation and impairment losses, if any.

Depreciation on Intangible fixed assets is computed to amortise the asset over a period of Six years being the estimated useful life of the asset.

Intangible Assets other than Service Concession Arrangement are reported at acquisition value with deductions for accumulated amortization and impairment losses, if any. Amortization policy for various intangible assets is given below:

Software	4 years or the useful life of the software, whichever is shorter
Leasehold rights	Over the period of the economic life

5 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.

6 Investments

- (a) Investments are capitalised at actual cost including costs incidental to acquisition.
- (b) Investments are classified as long term or current at the time of making such investments.
- (c) Long-term investments are individually valued at cost, less provision for diminution that is other than temporary.
- (d) Current investments are valued at the lower of cost and market value.

7 Inventories

Inventories are valued at lower of cost or net reliable value.

8 Revenue Recognition

Revenue is accounted for on accrual basis. Revenue is recognized when no significant uncertainty on measurability and collectability exists.

In case of excess amount collected by the conductors, amount of excess collection remaining unsettled for a period exceeding three months is recognized as revenue.

9 Employee Benefits

(a)

Employee benefits are recognized as an expense at the discounted amount expected to be paid over the period of services rendered by the employees to the Company.

Expenses for defined-benefit gratuity plans are calculated as at the balance sheet date by independent actuary in a manner that distributes expenses over the employee's working life. These commitments are valued at the present value of expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees.

(b) **Other Employee Benefits**

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the period end are reported as expenses in the period in which the employees perform the services that the benefit covers at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment or encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method

10 Accounting for Taxes on Income

Current tax is determined on the basis of the amount of tax payable in respect of taxable income for the period.

Deferred tax is calculated at current statutory income tax rate and is recognised, subject to the consideration of prudence, on timing differences, being differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets are recognised on unabsorbed depreciation and carry forward of losses only to the extent that there are timing differences, the reversal of which will result in sufficient income or there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date.



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016

11 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes to the financial statement. A contingent asset is neither recognised nor disclosed.

12 Financial Income and Borrowing Costs

Financial income and borrowing costs include interest income on bank deposits and interest expense on loans.

Interest income is accrued evenly over the period of the corresponding instrument.

Borrowing costs are recognised in the period to which they relate, regardless of how the funds have been utilised, except where it relates to financing of construction of development of assets requiring a substantial period of time to prepare for their intended future use. Interest is capitalised up to the date when the asset is ready for its intended use. The amount of interest capitalised (gross of tax) for the period is determined by applying the interest rate applicable to appropriate borrowings outstanding during the period to the average amount of accumulated expenditure for the assets during the period.

13 Cash and Cash Equivalents

Cash and bank balances, and current investments that have insignificant risk of change in value and original duration of up to three months, are included in the Group's cash and cash equivalents in the Cash Flow Statement.

14 Cash Flow Statements

The Cash-Flow Statement is prepared in accordance with the "Indirect Method" as explained in the Accounting Standard (AS) 3 on Cash Flow Statements.

15 Current / Non Current Assets and Liabilities

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

- i) It is expected to be realized within twelve months after the reporting date,
- ii) It is held primarily for the purpose of being traded,
- iii) It is Cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date

All other assets are classified as Non Current.

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

- i) It is expected to be settled within twelve months after the reporting date,
- ii) It is held primarily for the purpose of being traded,
- iii) The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as Non Current.

16 Earnings per Share

Basic earnings per share is calculated by dividing the net profit after tax for the period attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is calculated by dividing the net profit after tax for the period attributable to equity shareholder of the Company by the weighted Average number of shares outstanding during the period adjusted for the effects of all dilutive potential equity shares.



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016

Note 2: Share capital

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number	₹	Number	₹
Authorised Equity Shares of Rupees 10/- each	25,000,000	250,000,000	25,000,000	250,000,000
Issued Equity Shares of Rupees 10/- each	15,890,000	158,900,000	15,890,000	158,900,000
Subscribed and Paid up Equity Shares of Rupees 10/- each fully paid (refer foot note no. i, ii, and iii)	15,890,000	158,900,000	15,890,000	158,900,000
Total .	15,890,000	158,900,000	15,890,000	158,900,000

Foot Notes:

i. Of the above 14,300,000 (As at March 31, 2015 : 14,300,000) Equity Shares are held by the holding company viz, ILFS Transportation Networks Limited ("ITNL") and its nominees and 1,590,000 (As at March 31, 2015 : 1,590,000) Equity Shares are held by Vansh Infotech Private Limited.

ii. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year.

Particulars	As at March 31, 2016		As at March 31, 2015	
	Equity Shares		Equity Shares	
	No. of Shares	₹	No. of Shares	₹
Shares outstanding at the beginning of the year	15,890,000	158,900,000	15,890,000	158,900,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	15,890,000	158,900,000	15,890,000	158,900,000

iii. Shareholding more than 5% shares

Name of Shareholder	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of total holding	No. of Shares held	% of total holding
IL&FS Transportation Networks Limited & its nominees	14,300,000	90.00%	14,300,000	90.00%
Vansh Infotech Private Limited	1,590,000	10.00%	1,590,000	10.00%
Total	15,890,000	100.00%	15,890,000	100.00%

Note 3: Reserves and surplus

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Profit / (Loss) Surplus				
Opening balance	(1,259,489,880)		(1,006,099,262)	
(+) Profit / (Loss) for the current year	(243,965,080)		(253,390,618)	
Closing balance		(1,503,454,960)		(1,259,489,880)
Total .		(1,503,454,960)		(1,259,489,880)



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016

Note 4: Long-term borrowings

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Term Loans				
(i) Secured				
From banks (Refer Foot Note 1)	-		22,685,910	
(i) From Financial Institute	-		-	
(ii) From Related Party	-		-	
From financial institutions	-		-	
(refer foot note no. 1 & 2)		-		22,685,910
Total		-		22,685,910

Foot Notes:

1 Security

The aforesaid loans are secured by hypothecation of all movable properties and assets including buses, movable plant and machinery, spares, tools and accessories both present and future of the company and pledge of shares held by promoters in the company

2 Terms of Repayment

The loan availed from Union Bank of India under the JnnURM projects is repayable by March 2017.

Name of Bank	Amount outstanding as on 31.03.2016	Amount of quarterly installment repayable
UBI(JnnURM Project)	22,666,354	22,666,354
PMDO Loan		
Bank of India	58,225	58,225
Central Bank of India	9,900	9,900
Corporation Bank	55,940	55,940
Dena Bank	47,214	47,214
IDBI Bank(Loan)	12,936	12,936
Indian Bank(Loan)	140,117	140,117
Oriental Bank of Commerce	182,268	182,268
Syndicate Bank	11,060	11,060
Union Bank of India	141,513	141,513
Vijaya Bank	43,234	43,234
Total	23,368,761	23,368,761

Rs.23,368,761/- which is repayable during the financial year 2016-2017 and is part of Secured Term Loan from banks is classified under Current Liabilities as "Current Maturities of Long Term Debt".



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016

Note 5: Long-term provisions

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Provision for employee benefits	28,659,207	28,659,207	23,732,182	23,732,182
Total		28,659,207		23,732,182

Note 6: Short-term borrowings

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Loans and advances from related parties (i) Unsecured	898,000,000	898,000,000	753,000,000	753,000,000
Total		898,000,000		753,000,000

Note 7: Trade Payable

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Trade Payables Creditor for expense	47,026,017	47,026,017	42,871,924	42,871,924
Total		47,026,017		42,871,924

Note 8: Other current liabilities

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Current maturities of long-term debt (i) From Bank (ii) From Financial Institute (iii) From Related Party	23,368,761 - -	23,368,761	72,239,463 7,202,415 7,048,714	86,490,592
(b) Interest accrued but not due on borrowings	265,968,933		172,623,984	
(c) Income received in advance	5,282,943		5,446,551	
(d) Statutory dues	5,745,019		4,143,508	
(e) Security Deposit	17,025,297		17,156,843	
(f) Payable towards capital goods	2,600,152		2,600,852	
(g) Other Liabilities	153,285	296,775,629	174,917	202,146,655
Total		320,144,390		288,637,247

Note 9: Short-term provisions

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Provision for employee benefits.	13,721,898		9,564,284	
(b) Provision for Passenger Tax	173,004,133	186,726,031	146,838,007	156,402,291
Total		186,726,031		156,402,291



Vansh Nimay InfraProjects Limited
Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 10: Fixed assets

Particulars	Gross block (at cost)			Depreciation and Amortisation			Impairment		Net block		
	Balance as at March 31, 2015	Adjustments / Reclassifications	Additions	Deletions	Balance as at March 31, 2016	Adjustments / Reclassifications	Charges for the period	Deletions	Balance as at March 31, 2016	Balance as at March 31, 2015	Balance as at March 31, 2016
a) Tangible assets											
Building and structures (Refer Note 42 of Financial Statement)	14,171,024	-	1,555,118	-	16,126,142	2,049,473	2,565,975	-	4,615,399	-	11,510,743
Vehicles	399,939,950	-	-	-	399,939,950	376,147,012	7,597,784	-	385,744,726	14,194,985	14,194,985
Other Vehicles	3,287,934	-	2,945	-	3,284,989	3,665,009	78,733	-	2,741,099	-	543,899
Data processing equipments	3,696,454	-	94,600	-	3,791,054	3,354,334	188,886	2,944	3,543,020	-	248,034
Office equipments	1,649,317	-	75,491	-	1,724,808	1,357,557	244,055	-	1,602,012	-	1,229,786
Furniture and fixtures	1,800,319	-	401,420	-	2,381,739	861,443	290,686	-	1,151,929	-	1,119,076
Plant and machinery	703,825	-	13,275	-	717,100	230,621	51,447	-	282,068	-	435,032
ETS Machines	5,518,550	-	1,200,000	-	4,898,550	4,444,335	426,321	1,419,800	3,051,056	-	1,842,884
Equipments - Vehicle Tracking System	13,150,092	-	-	-	13,150,092	2,803,867	941,875	-	3,744,942	-	9,405,150
Total	444,097,465	-	3,739,504	1,822,945	446,014,424	395,913,352	0	1,822,744	406,476,321	14,194,985	25,343,118
b) Intangible assets											
Computer Software	60,916	-	453,100	-	514,016	60,043	57,178	-	117,221	-	396,795
Software Licenses	12,639,495	-	-	-	12,639,495	12,595,197	17,476	-	12,613,274	-	26,271
Right to Operate Buses (refer Foot Note no.1)	146,534,018	-	-	-	146,534,018	109,646,667	24,494,145	-	134,140,812	-	12,393,207
Others	1,834,560	-	-	-	1,834,560	1,353,435	306,659	-	1,660,094	-	174,466
Total	151,068,989	-	453,100	-	161,522,089	123,655,342	-	24,875,468	148,531,401	-	12,990,689
Grand total	605,166,454	-	4,193,004	1,822,945	607,536,513	519,569,394	0	37,863,172	555,007,722	14,194,985	36,333,806
Capital work-in-progress	6,518,585	-	9,526,527	-	16,445,112	-	-	-	-	-	16,445,112
Intangible assets under Development	6,518,585	-	9,526,527	-	16,445,112	-	-	-	-	-	16,445,112
Grand Total	612,085,039	-	13,719,531	1,822,945	623,981,625	519,569,394	0	37,863,172	555,007,722	14,194,985	54,778,918
Previous period	589,642,676	-	175,970	-	589,818,536	372,491,767	-	63,479,065	435,970,832	-	146,139,819

Foot Note:

Right to Operate Buses

During the year 2010-11, the Company acquired commercial rights under the "Right to Operate, Running & Maintenance of JNNURM Buses" as per Supplementary Agreement with Nagpur Municipal Corporation.



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016

Note 11: Non-current investments

₹

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Investment in Others Investment in National Saving Certificate	1,000	1,000	1,000	1,000
Total		1,000		1,000

Note 12: Long-term loans and advances

₹

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Capital Advances Unsecured, considered good	-	-	900,000	900,000
(b) Security Deposits Unsecured, considered good	1,459,979	1,459,979	1,254,145	1,254,145
Total		1,459,979		2,154,145

Note 13: Other non-current assets

₹

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Tax Deducted at Source	1,098,641		1,568,237	
(b) Advance Passenger Tax	710,000		710,000	
(c) Advance Fringe benefit Tax	20,000		20,000	
(d) Fixed Deposits placed for a period exceeding 12 months	2,432,121	4,260,762	827,630	3,125,867
Total		4,260,762		3,125,867

Note 14: Inventories

₹

Particulars	As at March 31, 2016		As at March 31, 2015	
Inventories (i) Stores and spares (As verified, valued and certified by the management) Mode of valuation : Lower of Cost or net realizable value	6,184,272	6,184,272	7,001,922	7,001,922
Total		6,184,272		7,001,922



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016

Note 15: Trade receivables

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Trade receivables outstanding for a period less than six months from the date they are due for payment				
Unsecured, considered good	4,040	4,040	203,965	203,965
(b) Trade receivables outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good	15,552,655		13,127,990	
Less: Provision for doubtful debt	-	15,552,655	(561,900)	12,566,090
Total		15,556,695		12,770,055

Note 16: Cash and Bank Balance

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Cash and cash equivalents				
Cash on hand	1,985,797		1,495,618	
Current accounts	16,615,121		14,597,836	
Fixed Deposits placed for a period less than 3 months	24,961,958	43,562,876	56,041,096	72,134,550
Total		43,562,876		72,134,550

Note 17: Short-term loans and advances

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Other loans and advances				
Unsecured, considered good				
- Advance recoverable in cash or kind	7,022,027		8,192,993	
		7,022,027		8,192,993
Total		7,022,027		8,192,993

Note 18: Other Current assets

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Other Current assets				
- Prepaid expenses	3,174,155		3,038,380	
		3,174,155		3,038,380
Total		3,174,155		3,038,380



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016

Note 19: Revenue from operations

₹

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Income from services				
City Bus Collections (ETS)	496,973,676		509,268,246	
City Bus Pass Collections	88,659,636		86,955,355	
Penalty	1,282,972		936,542	
		586,916,284		597,160,143
(b) Sales (net of sales tax)				
Sale of Pass Form & RFID Card		4,642,665		4,613,120
		591,558,949		601,773,263

Note 20: Other income

₹

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Interest Income				
Interest on bank deposits	3,294,618		4,560,611	
		3,294,618		4,560,611
(b) Other non-operating income				
Excess provisions written back	-		6,741,803	
Insurance Claim Received	189,737		751,071	
Scrap Sales	1,795,009		1,139,362	
Miscellaneous income	2,255,135	4,239,881	997,566	9,629,802
		7,534,499		14,190,413



VANSH NIMAY INFRAPROJECTS LIMITED**Notes** forming part of the financial statements for the year ended March 31, 2016**Note 21: Operating expenses**

₹

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Diesel and fuel expenses	262,856,257		299,816,890	
(b) Operation and maintenance expenses	94,598,226		92,399,091	
		357,454,483		392,215,981
		357,454,483		392,215,981

Note 22: Employee benefit expenses

₹

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Salaries, Wages and allowances	185,952,935		170,019,885	
(b) Contribution to provident and other funds	20,542,457		19,935,584	
(c) Staff Training & Welfare expenses	738,482	207,233,874	614,636	190,570,105
		207,233,874		190,570,105

Footnote: (Disclosure to be given as per AS-15) - Refer Note No. 32

VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016

Note 23: Finance costs

₹

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Interest expenses				
Interest on loans for fixed period	9,245,499		21,298,662	
Other interest	110,077,722	119,323,221	84,993,056	106,291,718
(b) Other borrowing costs				
Finance charges	1,514,505		1,938,147	
		1,514,505		1,938,147
		120,837,726		108,229,865

Note 24: Administrative and general expenses

₹

Particulars	As at March 31, 2016		As at March 31, 2015	
Legal and consultation fees	39,773,840		36,518,129	
Travelling and conveyance	1,151,242		929,331	
Rent	15,338,271		7,377,104	
Rates and taxes	38,564,921		32,264,019	
Communication expenses	1,009,833		902,122	
Insurance	5,586,576		5,805,348	
Printing and stationery	719,320		624,163	
Electricity charges	2,011,821		1,291,081	
Miscellaneous expenses	16,115,449	120,271,273	12,980,257	98,691,554
		120,271,273		98,691,554

Note :- Rent for the year ended 31.03.2016 includes an amount of Rs. 52.71 Lacs pertaining to earlier years



VANSH NIMAY INFRAPROJECTS LIMITED**Notes** forming part of the financial statements for the year ended March 31, 2016**Note 25: Earnings per equity share**

Particulars	Unit	As at March 31, 2016	As at March 31, 2015
Profit / (loss) after tax and minority interest	₹	(243,965,080)	(253,390,618)
Premium on preference shares	₹	-	-
Tax on premium on preference shares	₹	-	-
Profit / (loss) available for Equity Shareholders	₹	(243,965,080)	(253,390,618)
Weighted number of Equity Shares outstanding	Numbers	15,890,000.00	15,890,000.00
Nominal Value of equity shares	₹	10.00	10.00
Basic Earnings per share	₹	(15.35)	(15.95)
Equity shares used to compute diluted earnings per share	Numbers	15,890,000	15,890,000
Diluted Earnings per share	₹	(15.35)	(15.95)

In the absence of clarity as to the impact of advance towards capital on the earnings of the Group, no adjustment has been made for potential dilution in computing diluted earnings per share.



VANSH NIMAY INFRAPROJECTS LIMITED**Notes** forming part of the financial statements for the year ended March 31, 2016**Note 26: Contingent liabilities and capital commitments****A) Contingent liabilities :**

Particulars			As at March 31, 2016	As at March 31, 2015
Sr No	Name of party	Description		
1	Nagpur Municipal Corporation (NMC)	Amount of Royalty unpaid to Nagpur Municipal Corporation (NMC) on account of No. of Buses not plied as per Concession Agreement (Refer Foot Note 1)	10,743,750	10,743,750

Foot Note 1

Royalty: Company was required to deploy 200 buses from the date of agreement, however the time limit to deploy the buses were extended upto 31st August, 2007. Since Company could deploy only 45 buses till 31st August, 2007, sought for further extension of time limit, which was granted till 28th February, 2008. Royalty though was stipulated to be paid on 200 buses, Company continued to pay on deployment basis.

Final extension for deployment of 200 buses was provided by the Standing Committee (governing body of NMC) for a period upto 31st March, 2009.

The communication received in this regard from the Standing Committee (governing body of NMC) does not insist on payment of royalty based on deployment originally stipulated.

In view of this and a specific mention in clause 14.4 of the Concession agreement, the company continues to pay royalty on the basis of buses plied on road instead of 200 buses.

The Company has paid royalty on the basis of buses plied on road in the current period and as of March 31, 2010, has paid on all 230 buses.

There has been no addition in the amount of Contingent liability and is similar to that as on 31st March 2010.

B) Estimated amount of contracts remaining to be executed on capital and other account :

Particulars			As at March 31, 2016	As at March 31, 2015
Sr No	Name of party	Description		
1	For Depot Expenses	Estimated amount of contracts remaining on capital account and not provided for. [Net of advances paid of Rs.10,527,636 ; (As at March 31, 2015 Rs.7,557,850)]	647,364.00	9,661,948

Note No. 27: Amount paid/Payable to Auditors :

(Excluding of service tax)

Particulars			As at March 31, 2016	As at March 31, 2015
Sr No	Name of Auditors	Description		
1	Lakhani & Co. LLP	Audit Fees	690,000	600,000
2	Lakhani & Co. LLP	Tax Audit Fees	125,000	100,000
3	Lakhani & Co. LLP	Other Services (assurance)	260,000	235,000

Note No.28: Segment Information:

The Company is engaged in service business and is a Special Purpose Vehicle (SPV) formed for the specific purpose detailed in note no.1 above and thus operates in a single business segment. Also it operates in a single geographic segment. In the absence of separate reportable business or geographic segments the disclosures required under the Accounting Standard on "Segment Reporting" (AS-17 notified under the Companies (Accounting Standards) Rules,2006, have not been made.



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the financial statements for the year ended March 31, 2016

Note 29: Related Party Statement

Current Year

- a name of related parties and description of relationship
b Transactions / Balances with related parties as mentioned (a) above

Previous Year

- c name of related parties and description of relationship
d Transactions / Balances with related parties as mentioned (c) above

(A) Name of the related parties and description of relationship:

Ultimate Holding Company:	Infrastructure Leasing & Financial Services Limited. (IL&FS)
Holding Company:	IL & FS Transportation Networks Limited. (ITNL)
Fellow Subsidiaries:	IL&FS Urban Infrastructure Managers Limited. (IUIML) IL&FS Trust Company Limited.(ITCL) IL&FS Financial Services Limited (IFIN) IL&FS Securities Services Limited (ISSL)
Key Management Personnel (KMP):	Mr. S. Subramanian (SS) Mr. Sachin Redekar (SR) Mr. Narayanan Doraiswamy (ND)

Note: The Company has no control over fellow subsidiaries; hence only fellow subsidiaries with which company has transactions are disclosed.

(B) Transactions:

Nature of Transaction	Key Management Personal and Relatives	IL&FS	ITNL	IUIML	ITCL	ISSL
Asset Management Fees and Traveling & Other Expenses	-	-	154,531	-	-	-
		-	397,954	1,163,252	-	-
Security Trustee Fees	-	-	-	-	454,906	-
		-	-	-	449,440	-
Loan Taken	-	-	145,000,000	-	-	-
		-	206,000,000	-	-	-
Loan Repaid	-	7,048,721	-	-	-	-
		7,048,721	-	-	-	-
Interest on Loan	-	432,266	110,077,722	-	-	-
		1,346,722	84,993,056	-	-	-
Professional Fees	-	-	-	-	-	17,175
		-	-	-	-	16,377
Deposit refundable to directors	-	-	-	-	-	-
		-	-	-	-	-

(C) Balance Outstanding

Nature of Transaction	Key Management Personal and Relatives	IL&FS	ITNL	IUIML	ITCL	ISSL
Secured Loan	-	-	-	-	-	-
		7,048,714	-	-	-	-
Trade Payable	-	-	154,531	-	-	16,977
		-	3,822,531	(71,354)	-	22,972
Short-term borrowings	-	-	898,000,000	-	-	-
		-	753,000,000	-	-	-
Other current liabilities - Interest on Loan	-	-	265,968,933	-	-	-
		-	172,623,984	-	-	-

* Amount shown in brackets are debit balance

Note : Previous year figures are shown in italics.



VANSH NIMAY INFRAPROJECTS LTD.

Notes forming part of the financial statements for the year ended March 31, 2016

Note No. 30:

The company is operating 230 buses comprising of 150 large buses and 80 small buses. In addition to 230 buses company had also acquired 240 large buses vide the Right to Operate the Buses during the year from 1st April 2010 to 31st March 2011 and has treated such right as Intangible Asset.

Note No. 31:

In the opinion of the Management and to the best of their knowledge and belief, the value on realizations of loans, advances and other assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet and provision for all known liabilities has been made.

Note No. 32: Employee Benefits

In terms of the Revised Accounting Standard 15 on Employee Benefits (AS-15) as notified by the Companies Accounting Standard Rules, 2006, the following disclosures have been made as required by the Standard:

The Company has provided for the amount of gratuity liability as required under the Act, in the absence of specific funding plans and the details of actuarial provision are as below:

(i). Reconciliation of Defined Benefit Obligation

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Opening Defined Benefit Obligation	20,724,367	16,465,010
Current Service Cost	4,290,784	4,239,078
Interest Cost	1,649,660	1,532,892
Actuarial (Gain) / Losses	(1,080,597)	(1,231,586)
Benefits paid	(633,030)	(281,027)
Closing Defined Benefit Obligation	24,951,184	20,724,367

(ii). Reconciliation of Fair value of Plan Assets

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Opening Fair value of Plan Assets	-	-
Expected return on Plan Assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain	-	-
Closing Fair value of Plan Assets	-	-



(iii). Amount to be Recognized in Balance Sheet

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Liability at the end of the period / year	24,951,184	20,724,367
Fair Value of Plan Assets at the end of the Period	-	-
Difference	(24,951,184)	(20,724,367)
Amount Recognized in the Balance Sheet	(24,951,184)	(20,724,367)

(iv). Expenses Recognised in the Profit and Loss Account

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Current Service Cost	4,290,784	4,239,078
Interest Cost	1,649,660	1,532,892
Expected return on Plan Assets	-	-
Actuarial Losses (net)	(1,080,597)	(1,231,586)
Net gratuity expenses included in 'Payments to and provisions for employees'	4,859,847	4,540,384

(v). Summary of Actuarial Assumptions

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Discount Rate	7.96 %	7.96 %
Attrition rate	2.00 %	2.00 %
Salary Escalation Rate	6.50 %	6.50 %
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

(vi). Actual Return on Plan Assets

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Expected Return on Plan Assets	-	-
Actuarial gain/(loss) on Plan Assets	-	-
Actual return on Plan Assets	-	-



(vii). The amounts of the present value of the obligation, fair value of the plan assets, surplus or deficit in the plan, experience adjustments arising on plan liabilities and plan assets for the current year and previous four annual years is given below:

Particulars	Year ended 31 st March, 2016	Year ended 31 st March, 2015	Year ended 31 st March, 2014	Year ended 31 st March, 2013	Year ended 31 st March, 2012
Defined benefit commitments	24,951,184	2,07,24,367	1,64,65,010	1,48,46,792	96,41,214
Plan assets	-	-	-	-	-
(Surplus) / Deficit	24,951,184	2,07,24,367	1,64,65,010	1,48,46,792	96,41,214
Experience adjustments on plan commitments	(6,59,941)	(48,91,539)	(19,64,949)	(11,36,120)	-
Experience adjustments on plan assets	-	-	-	-	-

Note No. 33:

National Saving Certificate of Rs.1,000/- disclosed under Investment is lying under the custody of ordinance factory for operating pass issue centre within the premises of ordinance factory.

Note No. 34:

Trade receivable, Trade Payables, Other Current liabilities and Long term and Short term Loans & Advances are subject to balance confirmation.

Note No. 35:

(a) The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amounts unpaid as at the period end together with interest paid/payable as required under the said Act have not been given.

(b) The Company has no information as to whether any of its suppliers constitute Small Scale Industrial Undertaking and therefore the amount due to such suppliers has not been identified.

Note No. 36:

The Spares, Tools and Consumables including RFID Card purchased during the year are charged off to Statement of Profit and Loss, excepting to the extent of physical stock in hand as at 31st March, 2015 as verified and certified by the management and has been relied upon by the auditors

Note No. 37:

Nagpur Municipal Parivahan Limited (NMPL) has vide letter dated 17th Sept 2010 allotted four different places to Vansh Nimay Infraprojects Limited for the purpose of utilizing the same as depot for parking and maintenance of the buses on rental basis for an unspecified period. Expenses incurred by the



VANSH NIMAY INFRAPROJECTS LTD.

Notes forming part of the financial statements for the year ended March 31, 2016

company on constructing the facilities for carrying the repairs & maintenance of the buses and for parking of buses have been debited to Capital work in Progress. On Capitalization of such expenses the amount would be written off over the balance period of license agreement entered into by the company with the Nagpur Municipal Corporation (NMC) for operating of buses.

Note No. 38:

The Company has incurred net loss of Rs. 243,658,421/- during the year from 1st April 2015 to 31st March 2016 and has negative net worth of Rs. 1,344,248,301/- as at 31st March, 2016. The Company's management believes that the Company will be able to operate as a going concern in the foreseeable future and meet all its obligations as they fall due for payment, based on the projected business plan envisaged and financial support from the promoters.

Note No. 39:

As a matter of prudence the Company has provided for passenger tax charged at 3.5% of the ticket revenue and nutrition tax at 15 paise per passenger, which is as per the Bombay Motor Vehicles (Taxation of Passengers) Act, 1958 and not accrued the subsidy receivable from the Government towards passes issued to Students, Senior Citizens and Freedom Fighters as per clause 8.13 of the Concession Agreement. Further company has not accounted for the interest and penalty if any levied over and above the provision of passenger tax and nutrition tax.

Note No. 40: Deferred Tax

In accordance with the Accounting Standard on "Accounting for Taxes on Income" (AS-22), deferred tax assets and liability should be recognized for all timing differences in accordance with the said standard. However considering the present financial position and requirement of the said Accounting Standard-22 regarding certainty/virtual certainty, the carried forward losses is not provided for as an asset. However, the same will be re-assessed at subsequent Balance Sheet date and will be accounted for in the year of certainty/virtual certainty in accordance with the aforesaid Accounting Standard.

Note No. 41: Change in Depreciation Policy

The assets which were existing in the books as at March 31, 2014 are depreciated over the balance useful life as per the provision of the Companies Act 2013 based on Straight Line Method basis including the assets which were depreciated based on Written Down Value till March 31, 2014 other than those specified otherwise. Effect of the change in method of depreciation was calculated retrospectively. Effect of the change in estimated useful life in accordance with the Schedule II of the Companies Act 2013 is applied prospectively over the remaining useful life. Assets whose useful life under Schedule II of the Companies Act 2013 has been completed as at March 31, 2014 were fully depreciated and such depreciation was adjusted against the opening balance of retained earnings. Consequent to the adoption of the revised policy on depreciation:

- The difference between accumulated depreciation as of March 31, 2014 recomputed as above and the corresponding accumulated depreciation in the books as per earlier method, amounting to Rs. 5,617,749/- has been credited to the statement of Profit and Loss for the year ended March 31, 2015.
- Had the company followed the earlier method of depreciation, Charge to the statement of Profit and Loss for the year ended March 31, 2015 would have been lower by Rs. 2,918,750/- and consequently the debit balance in reserves and surplus would have been higher by Rs. 2,918,750/-



VANSH NIMAY INFRAPROJECTS LTD.

Notes forming part of the financial statements for the year ended March 31, 2016

Note No. 42: Previous Period / Year

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

Notes 1 to 42 form part of the financial statements.

In terms of our report attached.

For Lakhani & Co. LLP
Chartered Accountants


Sailesh Katudia
Partner



Date - 28/4/2016
Place - Mumbai

For and on behalf of the Board


Managing Director


Director


Chief Financial Officer