

VANSH NIMAY INFRAPROJECTS LIMITED

FINANCIAL STATEMENTS

2016-2017

INDEPENDENT AUDITOR'S REPORT

To the Members of Vansh Nimay Infraprojects Limited

Report on the Financial Statements

We have audited the accompanying Indian Accounting Standards (Ind AS) financial statements of Vansh Nimay Infraprojects Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor



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considers internal financial control relevant to the Company's preparation of the Ind AS 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 Ind AS 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 Ind AS financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the financial position of the Company as at 31st March, 2017, and its financial performance including other comprehensive income, its Cash Flows and the changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note No 2.2 read with Note No. 1.1 forming part of Ind AS financial statement wherein the Company has explained its reasons for preparing its Ind AS financial statements on other than "Going Concern" basis since in the opinion of the management, it does not foresee any other business in foreseeable future. Further the management is of the opinion that no adjustment is required to be made to the values of assets and liabilities stated in the financial statements to bring them to realisable value.

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, except for the information on SBN as stated in point no. h (iv) below.
 - (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, Cash Flow Statement and the Statement of changes in equity dealt with by this Report are in agreement with the books of account.



CHARTERED ACCOUNTANTS

- (d) In our opinion, the aforesaid Ind AS 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) The going concern matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (f) On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) the Act.
- (g) 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
- (h) 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 has disclosed the impact of pending litigations on its financial position in its financial statements. Refer note no.33 to the Ind AS financial statements;
 - 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; and
 - iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. However, we are unable to obtain sufficient audit evidence to report whether the disclosures are in accordance with books of account maintained by the company and as produced to us by the management - Refer note no.35 to the Ind AS financial statements.

Place : Mumbai
Date : May 10, 2017

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



Sailesh Katudia
Partner

Membership Number 105529



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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 Ind AS financial statements for the year ended 31st March, 2017]

- 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.13,36,32,044/- and Rs.5,93,75,038/- respectively;*



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- 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, 2017;
- 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 : May 10, 2017



CHARTERED ACCOUNTANTS

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 Ind AS financial statements for the year ended 31st March, 2017

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, 2017 in conjunction with our audit of the Ind AS 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 Ind AS 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.



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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 Ind AS 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 Ind AS 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, 2017, 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 : May 10, 2017

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



Sailesh Katudia
Partner

Membership Number 105529



VANSH NIMAY INFRAPROJECTS LIMITED

Balance sheet at March 31, 2017

Rs.

	Notes	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
ASSETS							
Non-current Assets							
(a) Property, plant and equipment	5		12,88,958		2,53,19,250		3,39,65,261
(b) Capital work-in-progress	5				1,64,45,112		69,18,585
(c) Intangible assets							
(i) others	6			1,29,90,688	1,29,90,688	3,74,13,047	3,74,13,047
(d) Financial assets							
(i) Investments							
a) Other investments	7			1,000	1,000	1,000	1,000
(ii) Trade receivables	8		1,41,05,828		1,05,22,463		68,24,725
(iii) Other financial assets	9		88,63,52,568		24,32,121		8,27,630
(e) Tax assets							
(i) Current Tax Asset (Net)	21	15,63,603	15,63,603	18,28,641	18,28,641	22,98,237	22,98,237
(f) Other non-current assets	12A		15,48,069		15,22,652		21,54,145
Total Non-current Assets			90,48,59,026		7,10,61,927		9,04,02,630
Current Assets							
(a) Inventories	10		10,90,880		61,84,272		70,01,922
(b) Financial assets							
(i) Cash and cash equivalents	11	67,49,611	67,49,611	4,35,62,876	4,35,62,876	7,21,34,550	7,21,34,550
(c) Other current assets	12B		19,34,568		1,01,33,508		1,12,31,373
Total Current Assets			97,75,059		5,98,80,656		9,03,67,845
Total Assets			91,46,34,084		13,09,42,583		18,07,70,475
EQUITY AND LIABILITIES							
Equity							
(a) Equity share capital	13	15,89,00,000		15,89,00,000		15,89,00,000	
(b) Other Equity	14	(98,52,45,205)		(1,50,74,32,461)		(1,26,54,59,079)	
Equity attributable to owners of the Company			(82,63,45,205)		(1,34,85,32,461)		(1,10,65,59,079)
Total Equity			(82,63,45,205)		(1,34,85,32,461)		(1,10,65,59,079)
LIABILITIES							
Non-current Liabilities							
(a) Financial Liabilities							
(i) Borrowings	15					2,26,85,910	2,26,85,910
(b) Provisions	17A		6,94,970		2,86,59,206		2,37,32,182
Total Non-current Liabilities			6,94,970		2,86,59,206		4,64,18,092
Current liabilities							
(a) Financial liabilities							
(i) Borrowings	19	99,15,00,000		89,80,00,000		75,30,00,000	
(ii) Trade payables	20	4,70,13,339		4,70,26,016		4,28,71,924	
(iii) Other financial liabilities	16	37,73,61,374	1,41,58,74,713	28,93,37,693	1,23,43,63,709	25,91,14,575	1,05,49,86,499
(b) Provisions	17B		10,33,69,372		1,26,41,300		95,64,284
(c) Other current liabilities	18		22,10,40,234		20,38,10,829		17,63,60,679
Total Current Liabilities			1,74,02,84,319		1,45,08,15,838		1,24,09,11,462
Total Liabilities			1,74,09,79,289		1,47,94,75,044		1,28,73,29,554
Total Equity and Liabilities			91,46,34,084		13,09,42,583		18,07,70,475

Notes 1 to 44 forms part of the financial statements.

In terms of our report attached.
For Lakhani & Co. LLP
Chartered Accountants

Sailesh Katudia
Partner
Place - Mumbai
Date 10/5/2017



For and on behalf of the Board

Managing Director
Mr. S. Subramanian
DIN 06552677

Director
Mr. Prashant Agarwal
DIN 02348083

Chief Financial Officer
Mr. Sachin Redekar

VANSH NIMAY INFRAPROJECTS LIMITED

Statement of profit and loss for the period ended March 31, 2017

Rs.

	Notes	Year ended March 31, 2017	Year ended March 31, 2016
Revenue from Operations	22	1,18,33,92,988	59,15,58,949
Other income	23	37,61,43,487	84,45,600
Total Income		1,55,95,36,475	60,00,04,549
Expenses			
Operating expenses	24	34,83,94,025	35,74,54,483
Employee benefits expense	25	26,42,43,223	20,72,33,874
Finance costs	26	24,43,16,526	12,08,37,726
Depreciation and amortisation expense	27	5,56,05,940	3,72,61,172
Other expenses	28	12,16,33,890	12,02,71,273
Total expenses		1,03,41,93,604	84,30,58,528
Profit / (Loss) before tax		52,53,42,871	(24,30,53,979)
Less: Tax expense			
(1) Current tax		-	-
(2) Deferred tax		-	-
		-	-
Profit / (Loss) for the period		52,53,42,871	(24,30,53,979)
Other Comprehensive Income			
Remeasurements of the defined benefit plans		(31,55,614)	10,80,597
Total other comprehensive income		(31,55,614)	10,80,597
Total comprehensive income for the period		52,21,87,257	(24,19,73,382)
Profit for the period attributable to:			
Earnings per equity share :	29		
(1) Basic (in Rs.)		33.06	(15.30)
(2) Diluted (in Rs.)		33.06	(15.30)

Notes 1 to 44 forms part of the financial statements.

In terms of our report attached,
For Lakhani & Co. LLP
Chartered Accountants

S. Kat
Sailesh Katudia
Partner
Place - Mumbai
Date 10/5/2017



For and on behalf of the Board

S. Subramanian
Managing Director
Mr. S. Subramanian
DIN 06552677

Prashant Agarwal
Director
Mr. Prashant Agarwal
DIN 02348083

S. Redekar
Chief Financial Officer
Mr. Sachin Redekar

VANSH NIMAY INFRAPROJECTS LIMITED

Statement of cash flows for the period ended March 31, 2017

Rs.

	Notes	Year ended March 31, 2017	Year ended March 31, 2016
Cash flows from operating activities			
Profit for the period		52,53,42,871	(24,30,53,979)
Finance costs recognised in profit or loss		24,43,16,526	12,08,37,726
Investment income recognised in profit or loss		(2,82,742)	(42,05,719)
Gain on disposal of property, plant and equipment		-	200
Employee benefits (net)		5,96,08,222	75,18,156
Depreciation and amortisation of non-current assets		5,56,05,940	3,72,61,172
		88,45,90,817	(8,16,42,444)
Movements in working capital:			
(Increase) / Decrease in trade receivables		(35,83,365)	(36,97,738)
(Increase) in other assets & loans and advances (current and non current)		(87,03,62,733)	38,89,202
Increase / Decrease in liabilities (current and non current)		1,72,16,728	3,16,04,242
		(85,67,29,371)	3,17,95,705
Cash generated from operations		2,78,61,446	(4,98,46,739)
Income taxes (paid)/ Refund received			
Net cash generated by operating activities		2,78,61,446	(4,98,46,739)
Cash flows from investing activities			
Payments to acquire financial assets		(1,86,09,721)	(41,92,508)
(Increase) / Decrease in Capital WIP		1,64,45,112	(95,26,527)
Proceeds on sale of financial assets			
Interest received		2,82,742	32,94,618
Net cash (used in)/generated by investing activities		(18,81,866)	(1,04,24,417)
Cash flows from financing activities			
Repayment of long term borrowings		(2,33,68,760)	(8,58,07,741)
Proceeds from short term borrowings		9,35,00,000	14,50,00,000
Interest paid (Finance cost paid)		(13,29,24,085)	(2,74,92,777)
Net (used in)/ generated in financing activities		(6,27,92,845)	3,16,99,482
Net increase/ (decrease) in cash and cash equivalents		(3,68,13,266)	(2,85,71,674)
Cash and cash equivalents at the beginning of the period		4,35,62,877	7,21,34,550
Cash and cash equivalents at the end of the period		67,49,611	4,35,62,877

Notes 1 to 44 forms part of the financial statements.

In terms of our report attached.

For and on behalf of the Board

For Lakhani & Co. LLP
Chartered Accountants

Sailesh Katudia
Partner

Place - Mumbai
Date 10/5/2017



Managing Director
Mr. S. Subramanian
DIN 06552677

Chief Financial Officer
Mr. Sachin Redekar

Director
Mr. Prashant Agarwal
DIN 02348083

VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2017

Statement of changes in equity for the period ended March 31, 2017		
	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
a. Equity share capital		
Balance as at the beginning of the period	158,900,000	158,900,000
Changes in equity share capital during the period		
Share capital issued	-	-
Balance as at end of the period	158,900,000	158,900,000

Statement of changes in equity for the period March 31, 2017						
b. Other equity	Reserves and surplus		Items of other comprehensive income		Attributable to owners of the parent	Total
	Retained earnings	Total	Remeasurements of the defined benefit plans	Total		
Balance as at April 1, 2016	(1,508,513,058)	(1,508,513,058)	1,080,597	1,080,597	(1,507,432,461)	(1,507,432,461)
Profit for the year	525,342,871	525,342,871	-	-	525,342,871	525,342,871
Other comprehensive income for the period, net of income tax	-	-	(3,155,614)	(3,155,614)	(3,155,614)	(3,155,614)
Total comprehensive income for the period	525,342,871	525,342,871	(3,155,614)	(3,155,614)	522,187,257	522,187,257
Transfer to retained earnings	-	-	-	-	-	-
Balance as at March 31, 2017	(983,170,188)	(983,170,188)	(2,075,017)	(2,075,017)	(985,245,205)	(985,245,205)

March 2016

Statement of changes in equity for the period March 31, 2016						
b. Other equity	Reserves and surplus		Items of other comprehensive income		Attributable to owners of the parent	Total
	Retained earnings	Total	Remeasurements of the defined benefit plans	Total		
Balance as at April 1, 2015	(1,265,459,079)	(1,265,459,079)	-	-	(1,265,459,079)	(1,265,459,079)
Profit for the period	(243,053,979)	(243,053,979)	-	-	(243,053,979)	(243,053,979)
Other comprehensive income for the period, net of income tax	-	-	1,080,597	1,080,597	1,080,597	1,080,597
Total comprehensive income for the period	(243,053,979)	(243,053,979)	1,080,597	1,080,597	(241,973,382)	(241,973,382)
Transfer to retained earnings	-	-	-	-	-	-
Balance as at March 31, 2016	(1,508,513,058)	(1,508,513,058)	1,080,597	1,080,597	(1,507,432,461)	(1,507,432,461)



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2017

General Information & Significant Accounting Policies

Note No-1

1. General information

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. Further the Company 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 contributed 30% of the cost of JnnURM buses.

VNIL has been filing claims for reimbursement of the concessional fare from the NMC, since the year 2008. In August 2014 VNIL filed updated claims for arbitration as provided in the agreement with NMC on account of loss in Concessional fares and non-revision of fares. But NMC did not act on VNIL's application for arbitration. Further, in March 2017 VNIL filed consolidated and updated Claims with NMC aggregating to Rs. 529 crores, viz, Loss in Concessional fares, non-revision of fares, loss due to illegal competing transport, non-utilisation of the bus advertisement potential. Post filing this claim, VNIL accounted the same in its books to the extent of Rs. 100.60 crores including interest on claim of Rs. 37 crores in financial year 2016-2017.

The Concession did not have a clause that provided a right to the operator for termination of the agreement arising out of proceedings of arbitration. In the contrary only the Corporation had a right to terminate the agreement. Based on the discussions / negotiations over the years the Corporation finally terminated the agreement on 28 Feb 2017 by providing three months' notice through its letter dated 30/11/2016. Company enforce the Arbitration clause. Since the Company has strong case on the claims lodged for arbitration, Corporation deliberately delayed the procedures for appointment of Arbitrator compelling Company to approach High Court to appoint the Arbitrator. High Court decided in favour of the Company and appointed the Arbitrator. The Company accounted the claim post termination to protect VNIL's rights and to ensure smooth operation / closure of the concession.

The tenability of the claims has been validated with reference to the terms of the concession and supporting evidence by a technical expert who is a professional in the field and has been representing large corporates for similar claims.

Note No-2

2. Significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of



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the Companies (Accounts) Rules, 2014 (Indian GAAP). These are Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer Note 3 for the details of first-time adoption exemptions availed by the Company.

2.2 Basis of preparation and presentation

Based on the facts stated in note no 1 above, the Company has adopted the basis of accounting as that of "other than going concern". The assets are stated at their expected realizable values and liabilities at their expected settlement values as determined by the Company's management. These expected realizable values and expected settlement values of the assets and liabilities are subject to change on actual realization/settlement.

The principal accounting policies are set out below.

2.3 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



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Notes forming part of the Financial Statements for the year ended March 31, 2017

External valuers are involved for valuation of significant assets, such as properties and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Note No-3

3.1 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.

3.1.1 Claims

Claims raised with the concession granting authority towards reimbursement for costs incurred due to delay in handing over of unencumbered land to the Company for construction or other delays attributable solely to the concession granting authority are recognised when there are is a reasonable certainty that there will be inflow of economic benefits to the Company. The claims when recognized as such are reduced from the carrying amount of the intangible asset / financial asset under the service concession arrangement, as the case may be, to the extent the claims relate to costs earlier included as a part of the carrying amount of these assets. Further, these claims are credited to profit or loss to the extent they relate to costs earlier debited to profit or loss. The claims are presented separately as a financial asset

3.2 Borrowing costs

Borrowing costs are recognised in the period to which they relate, regardless of how the funds have been utilised, except where it relates to the 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. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which tare incurred.

3.3 Taxation

Current tax



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Notes forming part of the Financial Statements for the year ended March 31, 2017

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

The provision for tax is taken for each consolidating entity on the basis of the standalone financial statements prepared under Ind AS by that entity and aggregated for the purpose of the consolidated financial statements.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax return with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets (including unused tax credits such as MAT credit and unused tax losses such as carried forward business loss and unabsorbed depreciation) are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of to recover or settle the carrying amount of its assets and liabilities.



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Notes forming part of the Financial Statements for the year ended March 31, 2017

3.4 Property, plant and equipment

Property, plant and equipment 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 capitalized up to the date when the asset is ready for its intended use.

All assets are depreciated on a Straight Line Method (SLM) of Depreciation, over the useful life of assets as prescribed under Schedule II of the Companies Act, 2013.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying of the asset and is recognised in profit or loss.

3.5 Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). ~~When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the~~ recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discount rate.

Recoverable amount is the higher of fair value less costs of disposal and value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in



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Notes forming part of the Financial Statements for the year ended March 31, 2017

prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.6 Financial instruments

Financial assets and financial liabilities are recognized when a company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ("FVTPL") are recognized immediately in the statement of profit and loss.

3.7 Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

3.7.1 Classification of financial assets – debt instruments

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows;
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

3.7.2 Amortised cost and Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2017

3.7.3 Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3.7.3.1 Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If [the Company] the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), [the Company] the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.7.4 Modification of Cash Flows of financial assets and revision in estimates of Cash flows

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset in accordance with Ind AS 109, the Company recalculates the gross carrying amount of the financial asset and recognizes a modification gain or loss in profit or loss. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred are adjusted to the carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.



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Notes forming part of the Financial Statements for the year ended March 31, 2017

If the Company revises its estimates of payments or receipts (excluding modifications and changes in estimates of expected credit losses), it adjusts the gross carrying amount of the financial asset or amortized cost of a financial liability to reflect actual and revised estimated contractual cash flows. The Company recalculates the gross carrying amount of the financial asset or amortized cost of the financial liability as the present value of the estimated future contractual cash flows that are discounted at the financial instrument's original effective interest rate. The adjustment is recognized in profit or loss as income or expense.

3.8 Financial liabilities and equity instruments-

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

3.8.1 Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument

3.8.2 Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method

3.8.3 Financial liabilities subsequently measured at amortised cost

Financial liabilities are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.8.4 Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.9 Cash and cash equivalents



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Notes forming part of the Financial Statements for the year ended March 31, 2017

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.10 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Note No-4

4.1 First-time adoption optional exemptions

4.1.1 Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognized assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below

4.1.2 Derecognition of financial assets and financial liabilities

the Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

4.1.3 Accounting for changes in parent's ownership in a subsidiary that does not result in a loss of control

The Company has accounted for changes in a parent's ownership in a subsidiary that does not result in a loss of control in accordance with Ind AS 110, prospectively from the date of transition.

4.1.4 Classification of debt instruments

the Company has determined the classification of debt instruments in terms of whether they meet the amortized cost criteria or the FVOCI criteria based on the facts and circumstances that existed as of the transition date.

4.1.5 Impairment of financial assets



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The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

4.1.6 Past business combinations

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2015.

Consequently,

- the Company has kept the same classification for the past business combinations as in its previous GAAP financial statements;
- the Company has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquiree; the Company has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- the Company has tested the goodwill for impairment at the transition date based on the conditions as of the transition date;
- the effects of the above adjustments have been given to the measurement of non-controlling interests and deferred tax.

The Company has not applied Ind AS 21 - The Effects of Changes in Foreign Exchange Rates retrospectively to fair value adjustments and goodwill arising in business combinations that occurred before the transition date.

The above exemptions in respect of business combinations have also been applied to past acquisitions of investments in associates, interests in joint ventures and interests in joint operations in which the activity of the joint operation constitutes a business, as defined in Ind AS 103.

4.2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of Financial Statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities at the date of the Financial Statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of Financial Statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of receivable under SCA, valuation of deferred tax assets, provisions and contingent liabilities.



VANSH NIMAY INFRAPROJECTS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2017

5. Fixed Assets - Tangible
Current Year

Particulars	Cost or Deemed cost			Accumulated depreciation and impairment			Carrying Amount	
	Balance as at April 1, 2016	Additions	Disposals	Balance at March 31, 2017	Eliminated on disposals of assets	Depreciation expense	As at March 31, 2017	As at March 31, 2016
Property plant and equipment								
Building and structures	16,126,141	18,069,574	-	34,195,715	-	29,580,318	-	11,510,744
Vehicles	403,224,938	-	-	403,224,938	-	78,520	-	528,408
Data processing equipments	3,791,054	124,900	-	3,915,954	-	226,875	-	449,888
Office equipments	19,773,449	183,310	-	19,956,759	-	11,318,208	-	248,035
Furniture and fixtures	2,381,739	231,937	(28,856)	2,584,820	(4,095)	984,300	-	11,375,439
Plant and machinery	717,099	-	-	717,099	-	427,031	-	1,229,593
Subtotal	446,014,420	18,609,721	(28,856)	464,595,284	(4,095)	42,615,252	1,288,958	25,319,250
Capital work-in-progress								
Capital work-in-progress	16,445,112	1,003,914	(17,449,026)	-	-	-	-	16,445,112
Total	462,459,532	19,613,635	(17,477,882)	464,595,284	(4,095)	42,615,252	1,288,958	41,764,362

Particulars	Carrying amount			Disposals	Balance as at March 31, 2017
	Balance as at April 1, 2016	Additions	Depreciation		
Property plant and equipment					
Building and structures	11,510,744	18,069,574	(29,580,318)	-	-
Vehicles	528,408	-	(78,520)	-	449,888
Data processing equipments	248,035	124,900	(226,875)	-	146,060
Office equipments	11,375,439	183,310	(11,318,208)	-	240,541
Furniture and fixtures	1,229,593	231,937	(984,300)	(24,761)	452,469
Plant and machinery	427,031	-	(427,031)	-	-
Subtotal	25,319,250	18,609,721	(42,615,252)	(24,761)	1,288,958
Capital work-in-progress					
Capital work-in-progress	16,445,112	1,003,914	(17,449,026)	-	-
Total	41,764,362	19,613,635	(60,064,278)	(24,761)	1,288,958



VANSH NIMAY INFRAPROJECTS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2017

Previous Year

Rs.

Particulars	Cost or Deemed cost			Balance at March 31, 2016	Accumulated depreciation and impairment Eliminated on disposals of assets	Depreciation expense	Balance at March 31, 2016	Carrying Amount As at March 31, 2016	Carrying Amount As at April 1, 2015
	Balance as at April 1, 2015	Additions	Disposals						
Building and structures	14,171,023	1,955,118		16,126,141		2,565,925	4,615,397	11,510,744	12,121,551
Vehicles	403,227,883		(2,945)	403,224,938	(2,944)	7,676,517	402,696,530	528,408	8,204,926
Data processing equipments	3,696,454	94,600		3,791,054		188,886	3,543,019	248,035	342,321
Office equipments	20,317,958	1,275,491	(1,820,000)	19,773,449	(1,819,800)	1,612,252	8,398,010	11,375,439	11,712,400
Furniture and fixtures	1,980,319	401,420		2,381,739		290,687	1,152,146	1,229,593	1,118,860
Plant and machinery	703,824	13,275		717,099		51,447	290,068	427,031	465,203
Subtotal	444,097,461	3,739,904	(1,822,945)	446,014,420	(1,822,744)	12,385,714	420,695,170	25,319,250	33,965,261
Capital work-in-progress	6,918,585	9,526,527		16,445,112				16,445,112	6,918,585
Total	451,016,046	13,266,431	(1,822,945)	462,459,532	(1,822,744)	12,385,714	420,695,170	41,764,362	40,883,846

Particulars	Carrying amount			Disposals	Balance as at March 31, 2017
	Balance as at April 1, 2015	Additions	Depreciation		
Property plant and equipment	12,121,551	1,955,118	(2,565,925)	-	11,510,744
Building and structures	8,204,926		(7,673,572)	(2,945)	528,409
Vehicles	342,321	94,600	(188,886)		248,035
Data processing equipments	11,712,400	1,275,491	(207,748)	(1,820,000)	11,375,639
Office equipments	1,118,860	401,420	(290,687)		1,229,593
Furniture and fixtures	465,203	13,275	(51,447)		427,031
Plant and machinery	33,965,261	3,739,904	(10,562,769)	(1,822,945)	25,319,451
Subtotal					
Capital work-in-progress	6,918,585	9,526,527			16,445,112
Total	40,883,846	13,266,431	(10,562,769)	(1,822,945)	41,764,563



Vansh Nimay Infraprojects Limited
Notes forming part of the Financial Statements for the year ended March 31, 2017

6. Fixed Assets - Intangible
Current Year

Rs.

Particulars	Cost or deemed cost			Accumulated depreciation and impairment		Carrying Amount	
	Balance as at April 1, 2016	Additions	Disposals or classified as held for sale	Balance as at April 1, 2016	Amortisation expense	Balance as at March 31, 2017	As at March 31, 2016
Software / Licences acquired	13,153,511	-	-	12,730,495	423,016	13,153,511	423,016
Others	1,834,560	-	-	1,660,094	174,466	1,834,560	174,466
Subtotal (a)	161,522,089	-	-	148,531,401	12,990,688	161,522,089	12,990,688
Rights under service concession arrangements (b)							
Intangible assets under development (c)							
Total (a+b+c)	161,522,089	-	-	148,531,401	12,990,688	161,522,089	12,990,688

Particulars	Carrying Amount			As at March 31, 2017	
	Balance as at April 1, 2016	Additions	Amortisation expense	(Impairment)/ Reversal losses recognised in profit or loss	As at March 31, 2017
Software / Licences acquired	423,016	-	(423,016)	-	-
Commercial rights acquired	12,393,207	-	(12,393,207)	-	-
Others	174,466	-	(174,466)	-	-
Trademarks and licences	-	-	-	-	-
Subtotal (a)	12,990,688	-	(12,990,688)	-	-
Rights under service concession arrangements (b)					
Intangible assets under development (c)					
Total (a+b+c)	12,990,688	-	(12,990,688)	-	-



Rs.

Particulars	Balance as at April 1, 2015		Cost or deemed cost		Balance as at March 31, 2016	Accumulated depreciation and impairment expense	Balance as at March 31, 2016	Carrying Amount As at March 31, 2016
	Balance as at April 1, 2015	Disposals or classified as held for sale	Additions	Disposals or classified as held for sale				
Software / Licences acquired	12,700,411	453,100	453,100		13,153,511	74,654	12,730,485	423,016
Commercial rights acquired	146,534,018				146,534,018	24,494,145	134,140,812	12,393,207
Others	1,834,560				1,834,560	306,659	1,660,094	174,466
Trademarks and licences								
Subtotal (a)	161,068,989	453,100	453,100		161,522,089	24,875,458	148,531,401	12,990,688
Rights under service concession arrangements (b)								
Intangible assets under development (c)								
Total (a+b+c)	161,068,989	453,100	453,100		161,522,089	24,875,458	148,531,401	12,990,688
Particulars	Balance as at April 1, 2015	Carrying Amount	Amortisation expense	(Impairment)/ Reversal losses recognised in profit or loss	Balance as at March 31, 2016			
Software / Licences acquired	44,570	453,100	(74,654)	-	423,016			
Commercial rights acquired	36,687,352	-	(24,494,145)	-	12,393,207			
Others	481,125	-	(306,659)	-	174,466			
Trademarks and licences								
Subtotal (a)	37,413,047	453,100	(24,875,458)	-	12,990,688			
Rights under service concession arrangements (b)								
Intangible assets under development (c)								
Total (a+b+c)	37,413,047	453,100	(24,875,458)	-	12,990,688			



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2017

7. Other Investments

Other Non Current Investments

Rs.

particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2016	
	Qty	Amount	Qty	Amount	Qty	Amount
UnQuoted Investments (all fully paid)						
Other investments		-		1,000		1,000
TOTAL INVESTMENTS CARRYING VALUE		-		1,000		1,000



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2017

8. Trade receivables - Non Current

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Unsecured, considered good	14,105,828	10,522,463	7,386,625
Allowance for doubtful debts	-	-	(561,900)
Total	14,105,828	10,522,463	6,824,725

9. Other financial assets - Non current

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Others -			
Claim receivable from authority (Unsecured considered good)	886,352,568	-	-
Fixed Deposits placed for a period exceeding 12 months	-	2,432,121	827,630
Total	886,352,568	2,432,121	827,630

10. Inventories

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Inventories (lower of cost and net realisable value)			
Stores and spares	1,090,880	6,184,272	7,001,922
Total	1,090,880	6,184,272	7,001,922

11. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balances with Banks	5,542,990	16,615,121	70,638,932
Cheques, drafts on hand	-	-	-
Cash on hand	1,206,621	1,985,797	1,495,618
Others	-	24,961,958	-
Cash and cash equivalents	6,749,611	43,562,876	72,134,550

12. Other assets

12A. Other assets - Non Current

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Capital Advances	-	-	900,000
Others -			
Security Deposit	1,548,069	1,459,979	1,254,145
Prepaid expenses	-	62,673	-
Total	1,548,069	1,522,652	2,154,145

12B. Other assets - Current

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Others -			
Prepaid expenses	101,429	3,111,482	3,038,380
Advance recoverable cash or kind	1,833,139	7,022,026	8,192,993
Total	1,934,568	10,133,508	11,231,373



VANSH NIMAY INFRAPROJECTS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2017

13. Equity Share Capital

Particulars	Rs	
	As at March 31, 2017	As at April 1, 2015
Equity share capital	158,900,000	158,900,000
Total	158,900,000	158,900,000
Authorised Share capital :		
158900000 ,Equity shares of Rs. 10/- each fully paid up (as at March 31, 2016: 158900000 ; as at April 1, 2015: 158900000)	158,900,000	158,900,000
	158,900,000	158,900,000

13.1 Movement during the period

Particulars	For the Year ended March 31, 2017		For the Year ended March 31, 2016		For the Year ended April 1, 2015	
	Number of shares	Share capital (Amount)	Number of shares	Share capital (Amount)	Number of shares	Share capital (Amount)
Balance at the start of the period	15,890,000	158,900,000	15,890,000	158,900,000	15,890,000	158,900,000
Movements [describe]						
Balance at the end of the period	15,890,000	158,900,000	15,890,000	158,900,000	15,890,000	158,900,000

Fully paid equity shares, which have a par value of Rs.10, carry one vote per share and carry a right to dividends.

13.2 Details of shares held by the holding company, the ultimate controlling party, their subsidiaries and associates

Particulars	Rs.	
	As at March 31, 2017	As at April 1, 2015
IL&FS Transportation Networks Limited (Holding Company)	14,300,000	14,300,000
Subsidiaries of the holding company (Vansh Infotech Pvt Ltd)	1,590,000	1,590,000
Total	15,890,000	15,890,000

13.3 Details of shares held by each shareholder holding more than 5% shares

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares
Fully paid equity shares						
IL&FS Transportation Networks Limited	14,300,000	90%	14,300,000	90%	14,300,000	90%
Vansh Infotech Private Limited	1,590,000	10%	1,590,000	10%	1,590,000	10%
Total	15,890,000	100.00%	15,890,000	100.00%	15,890,000	100.00%



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2017

14. Other Equity (excluding non-controlling interests)

Particulars	Rs		
	Year ended March 31, 2017	Year ended March 31, 2016	For April 1, 2015
General reserve			
Balance at beginning of the period			-
Movements [describe]			-
Balance at end of the period			
Profit / (Loss) surplus			
Balance at beginning of the period	(1,508,513,058)	(1,265,459,079)	(1,259,513,749)
Profit / (Loss) for the period	525,342,871	(243,053,979)	
Remeasurement of Trade receivable			(5,945,330)
Balance at end of the period	(983,170,188)	(1,508,513,058)	(1,265,459,079)
Other comprehensive income arising from re-measurement of defined benefit			
Balance at beginning of period	1,080,597		
Profit attributable to owners of the Company			
Other comprehensive income arising from re-measurement of defined benefit	(3,155,614)	1,080,597	
Balance at end of the period	(2,075,017)	1,080,597	-
Total	(985,245,205)	(1,507,432,461)	(1,265,459,079)



15. Non-current Borrowings

Rs.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured – at amortised cost			
(i) Term loans			
- from banks	-	-	22,685,910
- from other parties			
Total Non-current borrowings	-	-	22,685,910

16. Other financial liabilities - Current

Rs.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Current maturities of long-term debt - Secured	-	23,368,760	86,490,591
(b) Interest accrued	377,361,374	265,968,933	172,623,984
Total	377,361,374	289,337,693	259,114,575

17. Provisions

17A. Provisions - Non current

Rs.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Employee benefits	694,970	28,659,206	23,732,182
Total	694,970	28,659,206	23,732,182

17B. Provisions - Current

Rs.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Employee benefits	103,369,372	12,641,300	9,564,284
Total	103,369,372	12,641,300	9,564,284

18. Other current liabilities

Rs.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Advances	-	5,436,228	5,621,469
(b) Others			
- Payable on account of Capital Expenditure	2,989,444	2,600,152	2,600,852
- Security deposit	16,756,452	17,025,297	17,156,843
- Statutory dues	201,294,337	178,749,152	150,981,515
Total	221,040,234	203,810,829	176,360,679

19. Current Borrowings

Rs.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured - at amortised cost			
(a) Loans from related parties	991,500,000	898,000,000	753,000,000
Total	991,500,000	898,000,000	753,000,000

(i) Amounts repayable to related parties of the Company. Interest of 13.25 % - 13.90 % per annum is charged on the outstanding loan balances Of Rs 991,500,000 (as at March 31, 2016: 13.30% per annum; as at April 1, 2015: 13.25% per annum).

20. Trade payables - Current

Rs.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade payables	47,013,339	47,026,016	42,871,924
Total	47,013,339	47,026,016	42,871,924

21. Current tax assets and liabilities

Rs.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current tax assets			
Advance Tax - TDS	1,563,603	1,828,641	2,298,237
	1,563,603	1,828,641	2,298,237
Current Tax Assets (non-current portion)	1,563,603	1,828,641	2,298,237



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2017

22. Revenue from operations

Rs

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Sale of services		
Operation and maintenance income	544,698,273	586,916,284
(b) Claim receivable (Refer Note no. 37)	635,600,000	-
(c) Sales	3,094,715	4,642,665
Total	1,183,392,988	591,558,949

23. Other Income

a) Interest Income

Rs.

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Bank deposits (at amortised cost)	282,742	3,294,618
Interest on claim receivable (Refer Note no 37)	370,400,000	-
Total (a)	370,682,742	3,294,618

b) Other Non-Operating Income

Rs.

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Others		
- Miscellaneous income	4,428,011	4,239,881
Total (b)	4,428,011	4,239,881

c) Other gains and losses

Rs.

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Net gain / (loss) on derecognition of financial assets measured at amortised cost	1,032,733	911,101
Total (c)	1,032,733	911,101
(a+b+c)	376,143,487	8,445,600

24. Operating Expenses

Rs.

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Operating Expenses		
Diesel and fuel expenses	274,853,240	262,856,257
Operation and maintenance expenses	73,540,785	94,598,226
Total	348,394,025	357,454,483

25. Employee benefits expense

Rs.

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Salaries and Wages	243,321,146	185,952,935
Contribution to provident and other funds	19,620,436	20,542,457
Staff Welfare Expenses	614,304	738,482
Deputation Cost	687,337	-
Total	264,243,223	207,233,874



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2017

26. Finance costs

Rs

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Continuing operations		
(a) Interest costs :-		
Interest on bank overdrafts and loans (other than those from related parties)	332,954	9,245,499
Interest on loans from related parties	123,769,378	110,077,722
Other interest expense	119,647,432	-
(b) Other borrowing costs	566,762	1,514,505
Total	244,316,526	120,837,726

27. Depreciation and amortisation expense

Rs.

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation of property, plant and equipment pertaining to continuing operations (Note 5)	42,615,252	12,385,714
Amortisation of intangible assets (Note 6)	12,990,688	24,875,458
Total depreciation and amortisation pertaining to continuing operations	55,605,940	37,261,172

28. Other expenses

Rs.

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Power and fuel		
Rent expense	9,516,091	15,338,271
Travelling and conveyance	957,122	1,151,242
Legal and consultation fees	41,453,169	39,773,840
Rates and taxes	37,597,041	38,564,921
Communication expenses	879,291	1,009,833
Insurance	9,266,917	5,586,576
Printing and Stationary	570,452	719,320
Electricity Charges	1,875,874	2,011,821
Payment to auditors	718,750	1,086,750
Miscellaneous expenses	18,799,182	15,028,699
Total	121,633,890	120,271,273

Payments to auditors	Year ended March 31, 2017	Year ended March 31, 2016
a) For audit	345,000	345,000
b) For taxation matters	-	125,000
c) For other services	280,000	475,000
d) Service tax on Above	93,750	141,750
Total	718,750	1,086,750



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2017

29. Earnings per share

Particulars	Rs.	
	Year ended March 31, 2017	Year ended March 31, 2016
From Continuing operations	Rs. per share	Rs. per share
Basic earnings per share	33.06	(15.30)
Diluted earnings per share	33.06	(15.30)

29.1 Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Profit for the period attributable to owners of the Company (A)	525,342,871	(243,053,979)
Weighted average number of equity shares for the purposes of basic earnings per share (B)	15,890,000	15,890,000
Basic Earnings per share (A/B)	33.06	(15.30)

29.2 Diluted earnings per share

The earnings used in the calculation of diluted earnings per share are as follows :

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Earnings used in the calculation of basic earnings per share	525,342,871	(243,053,979)
Adjustments (describe)		
Earnings used in the calculation of diluted earnings per share (A)	525,342,871	(243,053,979)
Weighted average number of equity shares used in the calculation of basic earnings per share	15,890,000	15,890,000
Adjustments [describe]		
Weighted average number of equity shares used in the calculation of diluted earnings per share (B)	15,890,000	15,890,000
Diluted earnings per share (A/B)	33.06	(15.30)



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2017

30. Employee benefit plans

30.1 Defined contribution plans

The Company operates defined contribution retirement benefit plans for all qualifying employees of its Company. The assets of the plans are held separately from those of the Company in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Company are reduced by the amount of forfeited contributions.

The total expense recognised in profit or loss of Rs. 9,942,451 (for the year ended March 31, 2016: Rs.13,984,474) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	Valuation as at		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Discount rate(s)	7.33%	8.08%	8.08%
Expected rate(s) of salary increase	5.00%	6.50%	6.50%
Mortality rates*	IALM(2006-08)Ult	IALM(2006-08)Ult	IALM(2006-08)Ult

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows.

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Service cost:		
Current service cost	4,770,781	4,290,784
Past service cost and (gain)/loss from settlements		
Net interest expense	2,016,056	1,649,660
Components of defined benefit costs recognised in profit or loss	6,786,837	5,940,444
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)		
Actuarial (gains) / losses arising from changes in demographic assumptions		
Actuarial (gains) / losses arising from changes in financial assumptions	(76,928)	(420,656)
Actuarial (gains) / losses arising from experience adjustments	3,232,542	(659,941)
Actuarial (gains) / losses arising from assets limit effect		
Adjustments for restrictions on the defined benefit asset		
Components of defined benefit costs recognised in other comprehensive income	3,155,614	(1,080,597)
Total	9,942,451	4,859,847



VANSH NIMAY INFRAPROJECTS LIMITED**Notes forming part of the Financial Statements for the year ended March 31, 2017**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

Movements in the present value of the defined benefit obligation are as follows.

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Opening defined benefit obligation	24,951,184	20,724,367	20,724,367
Current service cost	4,770,781	1,649,660	
Interest cost	2,016,056	4,290,784	
Remeasurement (gains)/losses:			
Actuarial gains and losses arising from changes in financial assumptions	(76,928)	(420,656)	
Actuarial gains and losses arising from experience adjustments	3,232,542	(659,941)	
Benefits paid	(34,169,638)	(633,030)	
Others [describe]			
Closing defined benefit obligation	723,997	24,951,184	20,724,367

Movements in the fair value of the plan assets are as follows.

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Opening fair value of plan assets	-	-
Contributions from the employer	34,169,638	633,030
Benefits paid	(34,169,638)	(633,030)
Closing fair value of plan assets	-	-

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

· If the discount rate is 1 % basis points higher (lower), the defined benefit obligation would decrease by Rs. 828,868 (increase by Rs.637,167) (as at March 31, 2016: decrease by Rs. 21,740,051 (increase by Rs.28,847,000))

· If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by Rs.828,778 (decrease by Rs.635,943) (as at March 31, 2016: increase by Rs. 28,817,666 (decrease by Rs. 21,712,840))

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.



31. Financial instruments

31.1 Categories of financial instruments

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Particulars			
Financial assets			
Cash and bank balances	6,749,611	43,562,876	72,134,550
Trade receivable	14,105,828	10,522,463	6,824,725
Others	886,352,568	2,433,121	828,630
Financial liabilities			
<u>Financial Liabilities measured at amortised cost</u>			
Borrowings (including Interest Accrued)	1,368,861,374	1,187,337,693	1,034,800,485
Trade Payables	47,013,339	47,026,016	42,871,924

31.2 Financial risk management objectives

The company's financial risks mainly include market risk (interest rate risk), credit risk and liquidity risk.

The company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the company's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Corporate Treasury function reports quarterly to the company's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

31.3 Market risk

The company's activities expose it primarily to the financial risks of changes in interest rates.

There has been no significant change to the company's exposure to market risks or the manner in which these risks are managed and measured.

- forward foreign exchange contracts to hedge the exchange rate risk arising on the exports to Country X and Country X;
- interest rate swaps to mitigate the risk of rising interest rates.

Market risk exposures are measured using value-at-risk (VaR) supplemented by sensitivity analysis.

There has been no change to the company's exposure to market risks or the manner in which these risks are managed and measured.



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2017

32. Commitments for expenditure

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Estimated amount of contracts remaining on capital account and not provided for. [Net of advances paid of Rs. NIL ; (As at March 31, 2016 Rs.10,527,636) (As at April 1, 2015 Rs.7,557,850)	0	647364	9661948
Total	0	647364	9661948

33. Contingent liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Claims against the Company not acknowledged as debt - NMC has raised claim on Company vide its termination letter. Based on opinion from Independent legal expert, the management is of the opinion that the said claim is not tenable			
(b) 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)	1,07,43,750	1,07,43,750	1,07,43,750

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.



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2017

34. Related Party Disclosures

As at March 31, 2017

(a) Name of the Related Parties and Description of Relationship:

Nature of Relationship	Name of Entity	Abbreviation used
Holding Company	IL & FS Transportation Networks Limited	ITNL
Fellow Subsidiaries (Only with whom there have been transaction during the period/ there was balance outstanding at the year end)	IL&FS Urban Infrastructure Managers Limited. IL&FS Trust Company Limited. IL&FS Financial Services Limited IL&FS Securities Services Limited	IUIML ITCL IFIN ISSL
Key Management Personnel ("KMP")	Mr. S. Subramanian Mr. Prashant Agrawal Mr. Sachin Redekar Mr. Paresh Shah Mr. Capt. Swapan pual Mr. Nilmani Poddar Mr. Surash Chand Mittal	SS PA SR PS SP NP SM

As at March 31, 2016

(a) Name of the Related Parties and Description of Relationship:

Nature of Relationship	Name of Entity	Abbreviation used
Ultimate Holding Company	Infrastructure Leasing & Financial Services Limited	IL&FS
Holding Company	IL & FS Transportation Networks Limited	ITNL
Fellow Subsidiaries (Only with whom there have been transaction during the period/ there was balance outstanding at the year end)	IL&FS Urban Infrastructure Managers Limited. IL&FS Trust Company Limited. IL&FS Financial Services Limited IL&FS Securities Services Limited	IUIML ITCL IFIN ISSL
Key Management Personnel ("KMP")	Mr. S. Subramanian Mr. Prashant Agrawal Mr. Sachin Redekar Mr. Paresh Shah Mr. Capt. Swapan pual Mr. Narayanan Doraiswamy Mr. Surash Chand Mittal	SS PA SR PS SP ND SM



VANSH NIMAY INFRAPROJECTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2017

Related Party Disclosures (contd.)

Year ended March 31, 2017

(b) transactions/ balances with above mentioned related parties

Particulars	Company's Name	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Key Management p	Total
Interest Accrued and not due ST	ITNL		377,361,387			377,361,387
Short-term Borrowings	ITNL		991,500,000			991,500,000
Trade Payables	ITNL		783,271			783,271

Transactions						
Deputation Cost	ITNL		688,547			688,547
Borrowings						
Short Term Loan Taken	ITNL		93,500,000			93,500,000
Interest Expenses						
Interest On Short Term Loan	ITNL		123,769,378			123,769,378
Professional Fees	ISSL			21,400		21,400
Director Remuneration						
Director Fees	Capt. Swapan pual				100,000	100,000
Director Fees	Nilmani Poddar				30,000	30,000
Director Fees	Paresh Shah				40,000	40,000
Director Fees	Prasant Agrawal				60,000	60,000
Director Fees	S. Subramaninm				40,000	40,000
Director Fees	Surash Chand Mittal				30,000	30,000

Year ended March 31, 2016

(b) transactions/ balances with above mentioned related parties

Particulars	Company's Name	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Key Management p	Total
Balance						
Equity share Capital	ITNL		158,900,000			158,900,000
Interest Accrued and not due ST	ITNL		265,968,933			265,968,933
Short-term Borrowings	ITNL		898,000,000			898,000,000
Trade Payables	ITNL		154,531			154,531

Transactions						
Travelling Cost	ITNL		51,126			51,126
Deputation Cost	ITNL		639,959			639,959
Borrowings						
Short Term Loan Taken	ITNL		145,000,000			145,000,000
Short Term Loan Repaid	IL&FS	7,048,714				7,048,714
Interest Expenses						
Interest On Short Term Loan	ITNL	432,266	110,077,722			110,509,988
Professional Fees	ISSL			17,775		17,775
Assets Management Fees	IUIML			405,929		405,929
Director Remuneration						
Director Fees	Mr. S. Subramanian				35,000	35,000
Director Fees	Mr. Narayanan Doraiswamy					
Director Fees	Mr. Sachin Redekar					
Director Fees	Prashant Agrawal					
Director Fees	Capt. Swapan pual				35,000	35,000
Director Fees	Surash Chand Mittal				35,000	35,000



35. Specified Bank Notes Disclosure (SBN's)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs *	ODBs	Total
Closing cash on hand as on 08 Nov 2016	1,96,000	20,86,529	22,82,529
(+) Permitted receipts -		8,61,70,371	8,61,70,371
(-) Permitted payments -	-	8,37,504	8,37,504
(-) Amounts Deposited in Banks	1,96,000	8,55,49,696	8,57,45,696
Closing cash on hand as on 30 Dec 2016	-	18,69,700	18,69,700

* For the purpose of this clause, the term "specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated the 8th November 2016

36. Nagpur Municipal Corporation (NMC) has terminated the concession agreement and supplementary agreement with effect from 1st March 2017. The management does not foresee any other business in near future, accordingly the financial statement have been prepared on the assumption that the financial accounting assumption of going concern is no longer applicable. The Company has a negative net worth as at 31st March 2017. Adjustments have been made to the carrying value of assets to reflect them at lower of historical costs and net realisable value. Liabilities have been reflected at the values at which they are expected to be discharged. These realizable values and expected settlement values of the assets and liabilities are subject to change on actual realization/settlement

37. During the financial year ending March 31, 2017 Nagpur Municipal Corporation (NMC), vide its letter dated 30/11/2016 addressed to the company, has effective midnight between 28.02.2017 and 01/03/2017 terminated the agency contract awarded to the company for plying the bus in Nagpur City. During the tenure of contract the company had, as per clause 8.13 of the concession agreement, issued concessional passes to certain class of commuters and concessional amount was to be recovered from NMC. In view of termination of the agreement by NMC, the company has vide letter dated 17.03.2017 claimed from NMC various amounts towards compensation. Further, the Company has initiated arbitration proceedings against the NMC and an Arbitrator agreeable to both the parties, has been appointed. Based on the opinion from Independent legal expert on the tenability / acceptability of such claim, the company has recognised an amount of Rs. 100.60 Lacs as reimbursement / compensation towards concessional fares provided to the commuters and towards loss incurred for delay in revision of fares and interest thereon. Amount reflected under Revenue from Operations and Other Income and as Other Financial Asset.

38. The company was 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.

39. 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.

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

41. 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.

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.

42. The Spares, Tools and Consumables purchased during the period are charged off to Statement of Profit and Loss, excepting to the extent of physical stock in hand as at 31st March 2017 as verified and certified by the management and has been relied upon by the auditors

43. 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.

44. Approval of financial statements

The financial statements were approved for issue by the board of directors on 10th May, 2017.

