

# **BF TOLL ROAD PRIVATE LIMITED**

**FINANCIAL STATEMENT FOR  
YEAR ENDED 31ST MARCH 2015**



**GREWAL & SINGH**  
**Chartered Accountants**

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**Independent Auditor's Report**  
**For the year ended 31<sup>st</sup> March 2015**

**To the Members of GF Toll Road Private Limited**

**Report on the Financial Statements**

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

**Management Responsibility for the Standalone Financial Statements**

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

**Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall

## Independent auditors' report to the members of GF Toll Road Private Limited For the year ended March 31, 2015

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2015;
- ii) In the case of the Statement of Profit & Loss, of the loss for the year ended on that date; and
- iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the annexure a statement on the matters specified in paragraphs 3 and 4 of the said 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 purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31 March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we have not reported thereon since it is made effective from the year beginning on April 01, 2015.

Independent auditors' report to the members of GF Toll Road Private Limited  
For the year ended March 31, 2015

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Independent auditors' report to the members of GF Toll Road Private Limited  
For the year ended March 31, 2015

**Annexure containing Report on Matters required by CARO, 2015 as referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date**

**Re: GF Toll Road Private Limited (the company)**

1. (a) As per the information and explanations provided to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) The company has a regular programme of verification of fixed assets which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Fixed assets have been physically verified by the company during the year and no discrepancy has been noticed on such verification.
2. The company does not carry inventory and hence no comment is made on its physical verification, procedure of physical verification and on the maintenance of records thereof.
3. As per the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, hence clause 3(b) and 3(c) are not applicable.
4. In our opinion and according to the information and explanations given to us, the company has adequate internal control procedure commensurate with the size of the company and the nature of its business with respect to purchase of fixed assets and sale of services. We further report that the company did not purchase and sell inventory as it is an infrastructure development company. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company.
5. According to the information and explanations given to us, we are of opinion that the company has not accepted any deposit in pursuance of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder.
6. We have broadly reviewed the books and account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013 and is of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
7. (a) According to the books of account and other information as produced and examined by us in accordance with generally accepted auditing practices in India and also based on management representation, the company is regular in depositing undisputed statutory dues including provident fund, income-tax, service tax, sales tax and any other statutory dues with the appropriate authorities. Further we report that no undisputed amount payable in respect to income tax, sales tax, wealth tax, service tax and other statutory dues were outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.

Independent auditors' report to the members of GF Toll Road Private Limited  
For the year ended March 31, 2015

- (b) According to the information and explanations given to us, there are no dues of income-tax, sales tax, service tax, wealth tax and any other statutory dues which have not been deposited on account of any dispute.
  - (c) There are no amounts which are ought to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act 1956 and rules made thereunder.
8. The company has no accumulated losses at the end of the financial year and it has incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
  9. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the financial institutions or banks. We further report that the company has no debenture holders during the year.
  10. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
  11. In our opinion and according to the information and explanations given to us, the term loans were applied for the purpose for which they were obtained.
  12. According to the information and explanations given to us, no fraud by or on the company has been noticed or reported during the course of our audit.

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

Particulars	Note No.	As at March 31, 2015		As at March 31, 2014	
		Rupees	Rupees	Rupees	Rupees
<b>I. EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share capital	2.1	19,611,000		19,611,000	
Reserves and surplus	2.2	<u>808,515,321</u>	<b>828,126,321</b>	<u>1,203,664,854</u>	1,223,275,854
<b>Non-current liabilities</b>					
Long-term borrowings	2.3	5,930,699,999		5,682,699,999	
Other Long term liabilities	2.4	269,013,419		268,068,136	
Long-term provisions	2.5	<u>597,073</u>	<b>6,200,310,491</b>	<u>534,681</u>	5,951,302,816
<b>Current liabilities</b>					
Trade payables	2.6	29,544,315		4,459,495	
Other current liabilities	2.7	<u>500,286,483</u>	<b>529,830,798</b>	<u>491,234,782</u>	495,694,277
<b>Total</b>			<b><u>7,558,267,610</u></b>		<b><u>7,670,272,947</u></b>
<b>II. ASSETS</b>					
<b>(1) Non-current assets</b>					
Fixed Assets					
(i) Tangible assets	2.8	8,015,387		9,415,916	
(ii) Intangible assets	2.9	<u>7,473,853,975</u>	<b>7,481,869,361</b>	<u>7,594,258,654</u>	7,603,674,570
Long-term loans and advances	2.10		<b>312,620</b>		312,620
<b>(2) Current Assets</b>					
Cash and cash equivalents	2.11		<b>21,647,136</b>		23,101,923
Short-term loans and advances	2.12		<b>54,438,493</b>		43,183,834
<b>Total</b>			<b><u>7,558,267,610</u></b>		<b><u>7,670,272,947</u></b>

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

**Auditors' Report**

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

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

**For and on behalf of the Board**

**Harsimran Grewal Dhillon**  
Partner  
Membership No. : 513010

**Mayank Jain**  
Director

**Madan Biyani**

Place: Mumbai  
Date:

Place: Mumbai  
Date:

Place: Mumbai  
Date:

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

Particulars	Note No.	Year ended March 31, 2015 Rupees	Year ended March 31, 2014 Rupees
<b>I. Revenue from operations</b>	<b>2.13</b>	<b>511,259,371</b>	471,346,749
<b>II. Other income</b>	<b>2.14</b>	<b>1,142,655</b>	6,560,173
<b>III. Total Revenue</b>		<b>512,402,026</b>	477,906,922
<b>IV. EXPENSES:</b>			
Employee benefit expenses	2.15	6,950,617	6,498,592
Other Expenses	2.16	138,284,673	100,401,377
Finance costs	2.17	637,735,472	663,113,645
Depreciation and amortization expenses	2.8 and 2.9	124,580,797	108,368,646
<b>Total Expenses</b>		<b>907,551,559</b>	878,382,261
<b>V. Profit before Tax (III - IV)</b>		<b>(395,149,533)</b>	(400,475,339)
<b>VI. Tax Expenses</b>		-	-
<b>VII. Profit (Loss) for the period (V - VI)</b>		<b>(395,149,533)</b>	(400,475,339)
<b>VIII. Earnings Per equity share : (Face Value Rs 10/-)</b>			
(1) Basic		(201.49)	(204.21)
(2) Diluted		(201.49)	(204.21)

Significant Accounting Policies and Notes on Financial Statements

**1 & 2**

**Auditors' Report**

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

**For Grewal & Singh**

Chartered Accountants  
Firm's Regn. No. 012322N

**Harsimran Grewal Dhillon**

Partner  
Membership No. : 513010

Place: Mumbai

Date:

**For and on behalf of the Board**

**Mayank Jain**  
Director

**Madan Biyani**  
Director

Place: Mumbai

Date:

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

Particulars	Year ended March	Year ended March
	31, 2015	31, 2014
	Rupees	Rupees
<b>Cash Flow from/ (used in) Operating Activities</b>		
Net Profit/ (Loss) before Tax	(395,149,533)	(400,475,339)
<b>Adjustments for:</b>		
Dividend Income	(989,677)	(1,122,834)
Depreciation	124,580,797	108,368,646
Interest Income	(152,978)	(540,153)
Interest and Finance Charges	637,735,472	66 31 13 645
<b>Operating Profit/(Loss) before working capital Changes</b>	<b>366,024,081</b>	<b>369,343,966</b>
<b>Adjustments for:</b>		
Increase / (Decrease) in Trade Payable, Other Liabilities and Provisions	33,887,521	(1,308,605)
(Increase) / Decrease in Loans and Advances, Receivables and Other	(11,254,659)	-
<b>Cash Generated from Operations</b>	<b>388,656,943</b>	<b>368,035,361</b>
Taxes paid		
Cash Flow from/ (used in) Operating Activities	[A] <b>388,656,943</b>	<b>368,035,361</b>
<b>Cash flow from/ (used in) Investing Activities</b>		
Purchase of Fixed Assets	(2,775,588)	226,517,786
Dividend Income	989,677	1,122,834
Interest Income	152,978	540,153
Cash flow from/ (used in) Investing Activities	[B] <b>(1,632,933)</b>	<b>228,180,773</b>
<b>Cash flow from/ (used in) Financing Activities</b>		
Repayment of Long Term Borrowings	(292,000,000)	(321,200,000)
Proceeds from Long Term Borrowings	540,000,000	388,400,000
Interest and Finance Charges	(636,478,797)	(661,805,040)
Net cash generated from/ (used in) Financing Activities	[C] <b>(388,478,797)</b>	<b>(594,605,040)</b>
<b>Net (Decrease)/ Increase in Cash and Cash equivalents</b>	<b>[A+B+C] (1,454,787)</b>	<b>1,611,094</b>
Cash and Cash equivalents as at the commencement of the year (Opening Balance)	23,101,923	21,490,829
Cash and Cash equivalents as at the end of the year (Closing Balance)	21,647,136	23,101,923
Net (Decrease)/ Increase in Cash and Cash equivalents	<b>(1,454,787)</b>	<b>1,611,094</b>

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

**Auditors' Report**

**This is the Cash Flow Statement referred to in our report of even date.**

**For Grewal & Singh**  
Chartered Accountants  
Firm's Regn. No. 012322N

**For and on behalf of the Board**

**Harsimran Grewal Dhillon**  
Partner  
Membership No. : 513010

**Mayank K Jain**  
Director

**Madan Biyani**  
Director

Place: Mumbai  
Date:

Place: Mumbai  
Date:

**Significant Accounting Policies and Notes forming part of financial statement for year ended 31st March 2015**

**INTRODUCTION:**

The Company has been awarded on Build, Operate and Transfer (BOT) basis, the upgrading of existing road covering 66.185 kms stretch from Km 00.000 - Km 24.310 (approximately 24.310 kms) of Gurgaon – Faridabad Road; from Km 00.000 - Km 6.10 (approximately 6.10 kms) of MCF Road; from Km 00.000 - Km 3.100 (approximately 3.10 kms) of Crusher Zone; from Km 00.000 - Km 28.575 (approximately 28.575 kms) of Ballabgarh – Lakhawas junction Road and from Km 00.000 - Km 4.100 (approximately 4.100 kms) of Pali - Bhakri Road in the State of Haryana and widening from two lanes to four lanes with paved shoulders and operation and maintenance thereof, under the Concession Agreement dated January 31, 2009 with Haryana P.W.D. (B&R), Branch. The Concession Agreement is for a period of 17 years from the appointed date as stated in the Concession Agreement.

**1 SIGNIFICANT ACCOUNTING POLICIES:**

**1.1 Basis of Preparation of Financial Statements**

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

**1.2 Financial Statements: Presentation and disclosures**

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

**1.3 Use of Estimates**

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

**1.4 Fixed Assets**

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

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

Intangible assets are stated at acquisition cost less accumulated amortization.

**1.5 Investments**

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

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

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

□

**1.6 Borrowing Costs:**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**1.7 Revenue Recognition**

In respect of Toll Roads, toll revenue from operations of the facility is accounted on receipt basis.

Dividend on investment is recognized when the right to receive the payment is established.

Insurance and other claims are recognised as revenue on certainty of receipt on prudent basis.

**1.8 Depreciation and Amortisation**

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

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

Specialised software is amortised over a period of three years.

**1.9 Employee Benefits**

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

**1.10 Taxation**

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

**1.11 Foreign Exchange Transactions**

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

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

**1.12 Impairment of Assets**

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

**1.13 Provisions and Contingent Liabilities**

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

**1.14 Contingent Liabilities and Contingent Assets:**

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

**1.15 Cash and Cash Equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise of cash on hand and demand deposits with banks.

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

**Note 2.1 Share Capital**

	31-Mar-15 ₹	31-Mar-14 ₹
<b>Authorized</b>		
<b>Equity Shares of Rs. 10/- at par value</b> 2,00,00,000 (2,00,00,000) equity shares of Rs 10/- each	200,000,000	200,000,000
	<u>200,000,000</u>	<u>200,000,000</u>
<b>Issued, Subscribed and Paidup</b>		
<b>Equity Shares Rs. 10 par value</b> 19,61,100 (Previous year - 19,61,100) Equity Shares of Rs. 10/- each fully paid up	19,611,000	19,611,000
(All of the above shares are held by Reliance Infrastructure Ltd. - the holding company and its nominee)	<u>19,611,000</u>	<u>19,611,000</u>

**Reconciliation of shares**

No. of shares at the beginning of the year	1,961,100	1,961,100
Add : No. of Shares Issued during the year	-	-
No. of Shares at the end of the year	<u>1,961,100</u>	<u>1,961,100</u>

Rights, Preferences and Restrictions -

The Company has only one class of shares referred to as Equity Shares having a Par Value of Rs.10/-. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares held by	No. of Shares	Amount	No. of Shares	Amount
- Its Holding Company (M/s Reliance Infrastructure Limited)	1,961,100	19,611,000	1,961,100	19,611,000

Shareholders holding more than 5% of shares :

Name	No. of Shares	%	No. of Shares	%
Reliance Infrastructure Limited	1,961,100	100%	1,961,100	100%

**Note 2.2 Reserves and Surplus**

	31-Mar-15 Rupees	31-Mar-14 Rupees
<b>Securities Premium Reserve</b>		
Opening Balance	1,931,589,000	1,931,589,000
Addition during the year	-	-
Closing Balance	<u>1,931,589,000</u>	<u>1,931,589,000</u>
<b>Surplus from Statement of Profit and Loss</b>		
Opening Balance	(727,924,146)	(327,448,807)
Transferred from Statement of Profit and Loss	<u>(395,149,533)</u>	<u>(400,475,339)</u>
Closing Balance	(1,123,073,679)	(727,924,146)
<b>TOTAL</b>	<u>808,515,321</u>	<u>1,203,664,854</u>

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

	<u>31-Mar-15</u>	<u>31-Mar-14</u>
	₹	₹
<b>Note 2.3 Long Term Borrowings</b>		
<b>Secured</b>		
<b>(a) Term loans</b>	4,934,799,999	5,226,799,999
from banks (consortium) as below:-		
Being a Consortium arrangement the said loans have been secured by :		
a) First mortgage and charge of all immovable properties, present and future		
b) First charge by way of hypothecation of all movable assets, both present and future, save and except the project Assets.		
c) First charge on all intangible assets save and except Project assets.		
d) First Charge on receivables, book debts, cash and cash equivalents including any other bank accounts and other assets, present and future.		
e) First Charge on government approvals, insurance policies, uncalled capital, project documents, guarantees, letter of credit, performance warranties, indemnities and securities given to the Company.		
<b>Unsecured</b>		
Sub Ordinate Debts from Reliance Infrastructure Limited	995,900,000	455,900,000
Application money towards Sub Ordinate Debts from Reliance Infrastructure Limited pending for allotment	-	
* Repayment based on available cash flow after repayment of the entire secured loans to Lenders and carries 0% interest		
<b>TOTAL</b>	<u><b>5,930,699,999</b></u>	<u><b>5,682,699,999</b></u>
<b>Note 2.4 Other Long Term Liabilities</b>		
Retention Money Payable	269,013,419	268,068,136
<b>TOTAL</b>	<u><b>269,013,419</b></u>	<u><b>268,068,136</b></u>
<b>Note 2.5 Long Term Provisions</b>		
Provision for employee benefit		
Leave Encashment	597,073	534,681
Gratuity	-	
<b>TOTAL</b>	<u><b>597,073</b></u>	<u><b>534,681</b></u>

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

	<u>31-Mar-15</u>	<u>31-Mar-14</u>
	₹	₹
<b>Note 2.6 Trade Payables</b>		
Trade Payable	29,544,315	4,459,495
<b>TOTAL</b>	<u><b>29,544,315</b></u>	<u><b>4,459,495</b></u>
<b>Note 2.7 Other Current Liabilities</b>		
Creditors for Capital Expenditure	192,199,252	185,901,659
Other Current Liabilities	16,087,231	13,333,123
Current Maturities of Long Term Borrowings :	292,000,000	292,000,000
<b>TOTAL</b>	<u><b>500,286,483</b></u>	<u><b>491,234,782</b></u>

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

**Note 2.08 Tangible Assets**

Particulars	Gross Block			Depreciation			Net Block	
	As at April 1, 2014	Additions	As at March 31, 2015	As at April 1, 2014	Additions during the period	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Plant & Machinery	6,704,468	729,041	7,433,509	3,120,475	2,343,969	5,464,444	1,969,065	3,583,993
Furniture and Fixtures	2,488,769	281,120	2,769,889	1,118,224	129,987	1,248,211	1,521,678	1,370,545
Office Equipments	5,629,619	1,765,428	7,395,046	1,194,027	1,698,034	2,892,062	4,502,985	4,435,592
Vehicles	41,279	-	41,279	15,493	4,128	19,621	21,658	25,786
<b>Total Tangible Assets</b>	<b>14,864,135</b>	<b>2,775,588</b>	<b>17,639,724</b>	<b>5,448,220</b>	<b>4,176,118</b>	<b>9,624,337</b>	<b>8,015,387</b>	<b>9,415,916</b>

**Note 2.09 Intangible Assets**

The component of Intangible assets are as under:

Particulars	Gross Block			Depreciation			Net Block	
	As at April 1, 2014	Additions	As at March 31, 2015	As at April 1, 2014	Additions during the period	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Computer Software	341,405	(0)	341,405	281,543	5,352	286,895	54,510	59,862
Toll Collection Rights	7,773,859,163	-	7,773,859,163	179,660,371	120,399,327	300,059,698	7,473,799,465	7,594,198,792
<b>Total Intangible Assets</b>	<b>7,774,200,568</b>	<b>(0)</b>	<b>7,774,200,568</b>	<b>179,941,914</b>	<b>120,404,679</b>	<b>300,346,593</b>	<b>7,473,853,975</b>	<b>7,594,258,654</b>

Note : None of the above assets is acquired through business combination and no fixed assets is held for sale.

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

	31-Mar-15	31-Mar-14
	₹	₹
<b>Note 2.10 Long Term Loans and Advances</b>		
<b>Unsecured Considered Good</b>		
Capital advance	312,620	312,620
<b>TOTAL</b>	<u>312,620</u>	<u>312,620</u>

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

	<b>31-Mar-15</b> ₹	<b>31-Mar-14</b> ₹
<b>Note 2.11 Cash and Cash Equivalents</b>		
Balances with banks	16,791,578	18,755,095
Cash in hand	4,855,559	4,346,828
<b>TOTAL</b>	<b>21,647,136</b>	<b>23,101,923</b>
<b>Note 2.12 Short Term Loans and Advances</b>		
Advance Income Tax (Net)	187,236	1,707,424
Recoverable from Government Authorities	29,948,395	17,093,868
Prepaid Expenses	2,462,929	2,596,543
Security deposits	500,000	500,000
Other Receivables (For Utility Shifting)	19,466,687	19,128,353
Advance to Employees	1,873,246	2,157,646
<b>TOTAL</b>	<b>54,438,493</b>	<b>43,183,834</b>

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

	31-Mar-15 ₹	31-Mar-14 ₹
<b>Note 2.13 Revenue from Operations</b>		
Sale of services - Toll Collection	507,078,696	463,987,085
Leasing of Advertising Space	4,180,675	7,359,664
<b>TOTAL</b>	<b>511,259,371</b>	<b>471,346,749</b>
<b>Note 2.14 Other Income</b>		
Interest Income	152,978	540,153
Dividend Income	989,677	1,122,834
Insurance Claim Received	-	3,718,923
Other Income	-	1,178,263
<b>TOTAL</b>	<b>1,142,655</b>	<b>6,560,173</b>
<b>Note 2.15 Employee benefit expenses</b>		
Salaries and incentives	4,922,918	5,231,361
Contributions to -		
(i) Provident and Other Fund	237,267	273,367
(ii) Gratuity	336,147	(66,211)
Staff welfare expenses	1,454,285	1,060,075
<b>TOTAL</b>	<b>6,950,617</b>	<b>6,498,592</b>
<b>Note 2.16 Other Expenses</b>		
Toll Operation & Maintenance Expenses	114,814,105	81,389,339
Travelling & Conveyance	2,706,899	4,182,591
Insurance Charges	2,935,647	2,923,892
Legal And Professional Charges	7,794,769	4,562,954
Electricity	4,572,465	5,146,891
Other Misc. Exps	4,416,818	1,091,453
<u>Auditor Remuneration</u>		
Audit Fees	450,000	550,000
Fees for Certification	125,900	147,896
Out of Pocket Expenses	87,519	130,405
Printing & Stationery	380,551	275,956
<b>TOTAL</b>	<b>138,284,673</b>	<b>100,401,377</b>
<b>Note 2.17 Finance Costs</b>		
The components of finance costs are as under:		
Interest Exps.	637,678,454	663,113,645
Other Finance cost	57,018	
<b>TOTAL</b>	<b>637,735,472</b>	<b>663,113,645</b>

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

**2.18 Earning per Share**

The company has adopted Accounting Standard-20 "Earning per Share" issued by The Institute of Chartered Accountant of India for calculation of EPS and the disclosure in this regard are given below:-

Particulars	In Rs.	
	Year ended March 31, 2015	Year Ended March 31st, 2014
Basic / Diluted Earning Per Share		
Profit / (Loss) after taxation as per Statement of Profit and Loss	(A) (395,149,533)	(400,475,339)
Weighted average number of Equity Shares Outstanding	(B) 1,961,100	1,961,100
Basic Earning / (Loss) Per Share (in Rupees)	(A)/(B) (201.49)	(204.21)
Diluted Earning / (Loss) Per Share (in Rupees)	(A)/(B) (201.49)	(204.21)
Nominal value of equity share (in Rupees)	10.00	10.00

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

**2.19 Retirement Benefits:**

**(A) Defined Contribution Plans**

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

The Provident Fund and the State defined contribution plan are operated by the Regional Provident Fund Commissioner and the Superannuation fund is administered by the Trustees of GF Toll Road Private Limited Officer's Superannuation Scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

**(B) Defined Benefit Plans**

- a) Gratuity
- b) Leave Encashment

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

Disclosure as required by Accounting Standard (AS) - 15 (Revised 2005) "Employee Benefits" notified by the Companies (Accounting Standards) Rules, 2006 are given below:

- a) The amounts recognised in the Statement of Profit and Loss Account / Intangible Assets under development are as follows:

(i) Defined Benefit Plan	Leave Encashment		Gratuity	
	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2015	Year Ended March 31, 2014
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Current service cost	1.17	1.38	0.82	1.06
Interest cost on benefit obligation	0.57	0.62	0.44	0.47
Expected return on plan assets			(0.46)	(0.49)
Net actuarial gain/(loss) recognised during the year	2.64	(2.79)	2.61	(1.75)
Effect of the Limit in Para 59(b)			(0.05)	0.05
<b>Current service cost</b>	<b>4.38</b>	<b>(0.79)</b>	<b>3.36</b>	<b>(0.66)</b>

(ii) Defined Contribution Plan	Provident Fund	
	Year Ended March 31, 2015	Year Ended March 31, 2014
	(Rs. in lacs)	(Rs. in lacs)
<b>Current service cost</b>	<b>1.58</b>	<b>1.58</b>

(iii) Defined Contribution Plan	Superannuation Fund	
	Year Ended March 31, 2015	Year Ended March 31, 2014
	(Rs. in lacs)	(Rs. in lacs)
<b>Current service cost</b>	<b>-</b>	<b>0.67</b>

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

	Leave Encashment		Gratuity	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Present value of Unfunded obligation	5.97	5.35	5.79	4.22
Less: Fair value of plan assets	-	-	(6.12)	(5.68)
Amount not recognised as an Asset			-	0.05
<b>Net Asset / (Liabilities) recognised in Balance Sheet</b>	<b>(5.97)</b>	<b>(5.35)</b>	<b>(0.33)</b>	<b>(1.41)</b>

c) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:				
	Leave Encashment		Gratuity	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Opening defined benefit obligation	5.35	6.48	4.22	4.85
Interest cost	0.57	0.62	0.44	0.47
Current service cost	1.17	1.38	0.82	1.06
Benefits paid	(3.76)	(0.34)	(2.29)	
Liabilities assumed on Acquisition/9Settled on Divestiture)	-	-		
Actuarial (gains)/loss on obligation	2.64	(2.79)	2.59	(2.16)
Closing defined benefit obligation	5.97	5.35	5.78	4.22
d) Changes in the fair value of plan assets are as follows:				
	Leave Encashment		Gratuity	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Opening fair value of plan assets	-	-	5.68	5.60
Expected return	-	-	0.46	0.49
Contributions made by employer during the year	3.76	0.34	2.29	
Benefits paid	(3.76)	(0.34)	(2.29)	
Actuarial Gain/(Loss) on plan assets	-	-	(0.01)	(0.41)
Closing fair value of plan assets	-	-	6.13	5.68
e) Expected contribution to defined benefit plan for the year 2015-16				
	Leave Encashment		Gratuity	
	(Rs. in lacs)		(Rs. in lacs)	
	0.25		0.00	
f) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:				
Particulars	Leave Encashment		Gratuity	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
	%	%	%	%
Investments with insurer under: (a) Funds Managed by Insurer	Nil	Nil	100.00	100.00
g) The principal actuarial assumptions at the Balance Sheet date.				
	Leave Encashment		Gratuity	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
Discount rate	7.85%	8.90%	7.85%	8.90%
Expected rate of return on plan assets	-	-	8.25%	8.25%
Mortality Rate	Published rates under the Indian Assured Lives Mortality (2006-08)	LIC (1994 - 96) published table of Mortality Rates	Published rates under the Indian Assured Lives Mortality (2006-08)	LIC (1994 - 96) published table of Mortality Rates
Proportion of employees opting for early retirement	4% per annum withdrawal rate at all ages in this valuation.	4% per annum withdrawal rate at all ages in this valuation.	4% per annum withdrawal rate at all ages in this valuation.	4% per annum withdrawal rate at all ages in this valuation.
Retirement Age	58 Yrs	58 Yrs	58 Yrs	58 Yrs
Salary Escalation Rate	7.50%	7.50%	7.50%	7.50%
The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.				

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

**2.20 RELATED PARTY TRANSACTION**

RELATED PARTY DISCLOSURE AS REQUIRED BY ACCOUNTING STANDARD (AS) - 18 "RELATED PARTY DISCLOSURES" ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA.

**RELATIONSHIP:**

**(A) NAME OF THE HOLDING COMPANY - RELIANCE INFRASTRUCTURE LIMITED**

THE FOLLOWING TRANSACTIONS WERE CARRIED OUT WITH THE RELATED PARTIES IN THE ORDINARY COURSE OF BUSINESS:

NATURE OF TRANSACTIONS:	HOLDING COMPANY	
	APRIL 2014 - MARCH 2015	APRIL 2013 - MARCH 2014
<b>Expenses</b>		
Toll Operation & Maintenance Expenses	<b>3,089,900</b>	5,587,981
Reimbursement of Expenses	<b>95,109</b>	126,441
<b>BORROWINGS</b>		
Inter Corporate Deposit Accepted (Repaid / Transfer)	-	(67,500,000)
Sub-Ordinate Debts	<b>540,000,000</b>	455,900,000
<b>OUTSTANDING AT THE YEAR END</b>		
<b>CREDIT</b>		
Equity Share Capital	<b>19,611,000</b>	19,611,000
Share Premium	<b>1,931,589,000</b>	1,931,589,000
Subordinate Debt	<b>995,900,000</b>	455,900,000
Towards Operation & Maintenance Expenses	<b>7,958,971</b>	5,058,374
Towards EPC Contract (RA Bills)	<b>172,806,934</b>	172,806,934
Towards EPC Contract (Retention)	<b>261,499,998</b>	261,499,998

**GF Toll Road Private Limited**

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

**Note 2.21 Contingent Liabilities and Commitments**

Interest is under revision due to reset of Interest rate by few lenders under consortium. Since the process is still ongoing, the same cannot be ascertained.

**2.22** The Company operates in only one segment, namely "Toll Roads Division", hence there are no reportable segments under Accounting Standard 17 'Segment Reporting' as prescribed by Companies Accounting Standard (Rules) 2006.

**2.23** Since there is no timing difference between taxable income and accounting income, hence no deferred tax asset / (liability) have been recognized in the books of accounts.

**2.24** Previous year figures have been regrouped and re-arranged to comply with the requirement of Revised Schedule VI.

**Auditors' Report**

**As per our attached report of even date**

**For Grewal & Singh**  
**Chartered Accountants**  
**Firm's Registration No.:- 012322N**

**On behalf of the Board,**

**Harsimran Grewal Dhillon**  
Partner  
Membership No. : 513010

**Mayank Jain**  
Director

**Madan Biyani**  
Director

Place : Mumbai  
Date :

Place : Mumbai  
Date :