

# **BHARAT ROAD NETWORK LIMITED**

**Standalone Financials Statement**

**For the Financial Year 2014-2015**

**CIN: U45203WB2006PLC112235**

**Registered Office: MIRANIA GARDENS, 10B TOPSIA ROAD (SOUTH) KOLKATA -700046**

**BHARAT ROAD NETWORK LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2015 AND STATEMENT OF  
PROFIT & LOSS FOR THE YEAR ENDED ON THAT DATE**

**G.P. AGRAWAL & CO  
CHARTERED ACCOUNTANTS**

**INDEPENDENT AUDITORS' REPORT**  
**To The Members of BHARAT ROAD NETWORK LIMITED**

**Report on the standalone financial statements**

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

**Management's 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 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



**INDEPENDENT AUDITORS' REPORT**  
**To The Members of BHARAT ROAD NETWORK LIMITED**

**Report on the standalone financial statements (contd.)**

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2015 and its profit and its cash flows for the year ended on that date.

**Emphasis of Matter**

We draw attention to Note 24.7 to the standalone financial statements regarding investment in Special Purpose Vehicles formed as per Concession Agreement and guidelines of respective Government authority and treatment of such investments as Qualifying Asset which is based on a legal opinion and capitalization of directly attributable borrowing costs incurred in respect thereof. Our opinion is neither a reservation, nor a qualification or an adverse remark in respect of this matter.

**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 Order.
2. As required by Section 143 (3) of the Act, we report that:
  - i. 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.
  - ii. 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.
  - iii. 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.
  - iv. 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.
  - v. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - vi. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a. The Company does not have any pending litigations which would impact its financial position.

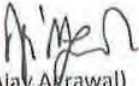


**INDEPENDENT AUDITORS' REPORT**  
**To The Members of BHARAT ROAD NETWORK LIMITED**

**Report on the standalone financial statements (contd.)**

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

For G.P. Agrawal & Co.  
Chartered Accountants  
F.R. No. 302082E

  
(CA. Ajay Agrawal)  
Partner  
Membership No. 17643

Place of Signature: Kolkata  
Dated: the 25<sup>th</sup> day of September , 2015



**INDEPENDENT AUDITORS' REPORT**  
**To The Members of BHARAT ROAD NETWORK LIMITED**

**ANNEXURE TO THE AUDITORS' REPORT**

Statement referred to in our Report of even date to the members of **Bharat Road Network Limited** for the year ended 31st March, 2015.

- i)
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  - b) The fixed assets have been physically verified by the management during the year. To the best of our knowledge, no material discrepancy was noticed on such verification.
- ii) As the Company has no inventory, clauses (ii) (a) to (ii)(c) of paragraph 3 of the said order are not applicable to the Company.
- iii) The Company has granted unsecured loan to a subsidiary during the year.
  - a) The principal along with interest has been received back during the year.
  - b) No amount is overdue on such loan as same has been fully repaid during the year.
- iv) On the basis of information and explanations given to us, we are of the opinion that the Company has an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for rendering of services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have we been informed any instances of continuing failure to correct major weakness in the aforesaid internal control systems.
- v) The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
- vi) As per information and explanations given by the management, maintenance of cost records as prescribed by the Central Government under sub-section (1) of section 148 of the Act is not applicable to the Company.
- vii)
  - a) On the basis of our examination, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, to the extent applicable, with appropriate authorities and no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2015 for a period of more than six months from the date of becoming payable.
  - b) According to the information and explanations given to us by the management, there is no disputed dues payable in respect of statutory dues as aforesaid.
  - c) There is no amount required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

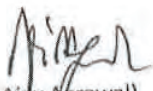


**INDEPENDENT AUDITORS' REPORT**  
**To The Members of BHARAT ROAD NETWORK LIMITED**

**ANNEXURE TO THE AUDITORS' REPORT (CONTD.)**

- viii) The Company does not have accumulated losses at the end of the financial year and has not incurred any cash loss during the year covered by our audit or in the immediately preceding financial year.
- ix) Based on our audit procedures and as per the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial Institution and banks. The Company has not issued any debenture.
- x) On the basis of our examination and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from banks or financial institutions.
- xi) On the basis of our examination and according to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.
- xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements materially misstated.

For G. P. Agrawal & Co.  
Chartered Accountants  
F.R. No. 302082E

  
(CA. Ajay Agrawal)  
Partner  
Membership No. 17643

Place of Signature: Kolkata  
Dated: the 25<sup>th</sup> day of September , 2015



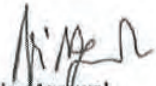
## BHARAT ROAD NETWORK LIMITED

Balance Sheet as at 31st March, 2015

	Note	As at 31st March, 2015 (Amount in ₹)	As at 31st March, 2014 (Amount in ₹)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	100,000,000	100,000,000
(b) Reserves and surplus	3	(5,408,576)	(7,113,215)
<b>Non-Current Liabilities</b>			
(a) Long-term borrowings	4	941,910,000	3,671,850,000
(b) Long-term provisions	5	2,071,650	992,250
<b>Current Liabilities</b>			
(a) Short-term Borrowing	6	2,825,699,453	658,200,000
(b) Trade Payable	7	10,238,010	17,332,169
(c) Other current liabilities	8	47,572,856	77,715,712
(d) Short-term provisions	9	615,930	631,820
		<b>3,922,699,323</b>	<b>4,519,608,736</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed Assets			
-Tangible assets	10	29,549	78,182
- Intangible Asset	10	59,599	-
(b) Non-current investments	11	3,818,746,186	4,374,497,561
(c) Deferred Tax Assets (Net)	12	-	-
(d) Long-term loans and advances	13	12,169,340	61,753,354
<b>Current Assets</b>			
(a) Trade Receivables	14	60,526,709	46,822,066
(b) Cash and Cash Equivalents	15	6,272,065	688,596
(c) Short-term loans and advances	16	328,150	112,000
(d) Other current assets	17	24,567,725	35,656,977
		<b>3,922,699,323</b>	<b>4,519,608,736</b>
<b>Significant Accounting Policies</b>	1		
<b>Other Disclosures</b>	24		

The accompanying notes are an integral part of the Financial Statements.  
This is the Balance Sheet referred to in our report of even date.


**For G. P. Agrawal & Co.**  
Chartered Accountants  
Firm Registration No.302082E

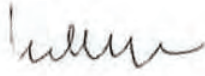
  
CA Ajay Agrawal  
Partner  
Membership No.17643



Place : Kolkata  
Date : 25th September, 2015

**On behalf of the Board of Directors**

  
Bajrang K Choudhary  
Director  
DIN : 00441872

  
Brahm Dutt  
Chairman  
DIN : 05308908



## BHARAT ROAD NETWORK LIMITED

Profit and Loss for the year ended 31st March, 2015

	Note	Year ended 31st March, 2015 (Amount in ₹)	Year ended 31st March, 2014 (Amount in ₹)
<b>I INCOME</b>			
Revenue from Operation	18	104,326,741	109,373,574
Other Income	19	328,767	234,824
<b>Total Revenue</b>		<b>104,655,508</b>	<b>109,608,398</b>
<b>II EXPENSES</b>			
Operational Expenses	20	50,020,674	55,517,354
Employee Benefits Expense	21	29,022,630	29,869,735
Finance Costs	22	9,979,941	12,068,166
Depreciation Expense	10	51,734	28,325
Other Expenses	23	13,856,920	11,198,358
<b>Total expenses</b>		<b>102,931,899</b>	<b>108,681,938</b>
<b>III Profit before exceptional and extra ordinary Items and tax (I-II)</b>		<b>1,723,609</b>	<b>926,460</b>
<b>IV Exceptional items</b>		-	-
<b>V Profit before extra ordinary items and tax (III-IV)</b>		<b>1,723,609</b>	<b>926,460</b>
<b>VI Extraordinary items</b>		-	-
<b>VII Profit before tax (V-VI)</b>		<b>1,723,609</b>	<b>926,460</b>
<b>VIII Tax expense</b>			
Current Tax		330,000	177,000
Less: MAT credit entitlement		330,000	177,000
Net Current Tax		-	-
Deferred tax(Net)		-	-
Income Tax in respect of Earlier Years		18,970	-
<b>IX Profit/ (Loss) After Tax for the year (VII - VIII)</b>		<b>1,704,639</b>	<b>926,460</b>
<b>X Earnings per share (in ₹) (Face Value ₹ 10/- per Equity Share) :</b>			
a) Basic	24.3	0.17	0.09
b) Diluted		0.17	0.09
<b>Significant Accounting Policies</b>	1		
<b>Other Disclosures</b>	24		

The accompanying notes are an integral part of the Financial Statements.  
This is the Statement of Profit and Loss referred to in our report of even date.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm Registration No.302082E

  
CA Ajay Agrawal  
Partner  
Membership No.17643

On behalf of Board of Directors

  
Bajrang K Choudhary  
Director  
DIN : 00441872

  
Brahm Dutt  
Chairman  
DIN : 05308908

Place : Kolkata  
Date : 25th September, 2015



**BHARAT ROAD NETWORK LIMITED**  
Cash Flow Statement for the year ended 31st March, 2015

Particulars	Year Ended	Year Ended
	31 March, 2015	31 March, 2014
	(₹)	(₹)
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before tax	1,723,609	926,460
Adjustments for:		
Depreciation	51,734	28,325
Finance costs	9,979,941	12,068,166
Interest on Income Tax refund	-	(80)
Interest Income	(328,767)	(197,658)
<b>Operating Profit before Working Capital Changes</b>	<b>11,426,517</b>	<b>12,825,213</b>
Increase/(Decrease) in Long Term Provisions	1,079,400	(435,650)
Increase/(Decrease) in Trade Payables	(7,094,159)	13,194,596
Increase/(Decrease) in Other Current Liabilities	(17,359,855)	(2,228,000)
Increase/(Decrease) in Short Term Provisions	64,110	(147,700)
Decrease/(Increase) in Trade Receivables	(13,704,643)	(42,349,068)
Decrease/(Increase) in Long Term Loans & Advances	(330,000)	-
Decrease/(Increase) in Short Term Loans & Advances	(216,150)	1,251,881
Decrease/(Increase) in Other Current Assets	6,766,015	(6,791,604)
<b>Cash generated from Operating activities</b>	<b>(19,368,765)</b>	<b>(24,680,332)</b>
Advance Income Tax (Net of refund and interest)	(5,184,956)	(6,339,897)
<b>Net Cash from Operating Activities</b>	<b>(24,553,721)</b>	<b>(31,020,229)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(62,700)	(44,000)
Increase in Investments	(1,180,912,500)	(563,696,000)
Sale of investments	2,191,354,500	-
Share/Debenture application money given	-	(55,000,000)
Interest received	328,767	226,042
<b>Net Cash from Investing activities</b>	<b>1,010,708,067</b>	<b>(618,513,958)</b>
<b>C. Cash Flow from Financing Activities</b>		
Repayment of long term borrowings	(2,743,940,000)	-
Proceeds from/(Repayment of) short term borrowings (net)	2,167,499,453	1,362,800,000
Interest paid	(404,130,330)	(499,577,217)
Share application Money refund	-	(250,000,000)
<b>Net Cash Flow from Financing Activities</b>	<b>(980,570,877)</b>	<b>613,222,783</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>5,583,469</b>	<b>(36,311,404)</b>
Opening Cash and Cash Equivalents	688,596	37,000,000
<b>Closing Cash and Cash Equivalents</b>	<b>6,272,065</b>	<b>688,596</b>

**Notes:**

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS 3) "Cash Flow Statements".
  - Interest paid is inclusive of, and Investments and other current assets are exclusive of, interest capitalised ₹ 395,367,388/- (31st March 2014: 497,311,046/-) and ₹ Nil/- (31st March 2014: ₹ 4,323,237/-) respectively.
  - During the year, Share/debenture application money given aggregating to ₹ 55,000,000 (31st March 2014: ₹ 4,900,000) have been converted into Investments in Equity Shares.
  - Cash and cash equivalents do not include any amount which is not available to the Company for its use.
- As per our report of even date attached.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm Registration No.302082E

CA Ajay Agrawal  
Partner  
Membership No.17643



Place : Kolkata  
Date : 25th September, 2015

On behalf of the Board of Directors

Bajrang K Choudhary  
Director  
DIN : 00441872

Brahm Dutt  
Chairman  
DIN : 05308908

## Bharat Road Network Limited

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 Basis of Preparation

- a) The financial statements are prepared in accordance with the historical cost convention and the accrual basis of accounting. The accounting policies applied by the Company are consistent with those applied in the previous year except as otherwise stated elsewhere.
- b) These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). These Financial Statements have been prepared to comply in all material respects with the Accounting Standards ('AS') specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies(Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India and relevant applicable provisions of the Companies Act, 1956, and Companies Act, 2013.
- c) The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities including Contingent Liabilities as of the date of the financial statements and the reported income and expenses for the reporting year. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.
- d) As per the Schedule III of Companies Act, 2013, "an operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents". For the company, there is generally no clearly identifiable normal operating cycle and hence the normal operating cycle for the company is assumed to have duration of 12 months.

#### 1.2 Revenue Recognition

Income from operation and other incomes are recognized in the Statement of Profit and Loss on accrual basis.

All the incomes are accounted for on accrual basis.

#### 1.3 Fixed Assets and Depreciation / Amortization

- a) Fixed Assets are stated at Cost less accumulated depreciation. Cost includes taxes, duties, freight and incidental expenses related to the acquisition and installation of the assets.
- b) Intangible Assets comprising of computer software and licenses expected to provide future enduring economic benefits are carried at cost less accumulated amortization and impairment losses, if any. Cost comprises of purchase price and directly attributable expenditure on making the asset ready for its intended use. Any technology support cost or annual maintenance cost for such software is charged to the Statement of Profit and Loss.
- c) Depreciation on tangible assets is provided on Straight Line Method ('SLM'), which reflects the management's estimate of the useful lives of the respective fixed assets. Pursuant to the enactment of the Companies Act 2013, the company has, effective 1st April 2014, reviewed and revised the useful life of its respective fixed assets and such useful life are equal to the corresponding useful life prescribed in Part C of Schedule II to Companies Act, 2013:

	Asset category	Useful Life of the Asset
I	Assets for Own Use	
i)	Computers	3 - 6 years



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## Bharat Road Network Limited

- d) Fixed Assets costing up to INR 5,000/- are depreciated fully over a period of 12 months from the date of purchase.
- e) Depreciation on assets acquired/sold during the year is recognised in Statement of Profit and Loss on pro-rata basis from/till the date of purchase/sale.
- f) Amortization of intangible assets is provided on SLM which reflect the managements estimate of useful life of such assets:

	Asset category	Useful Life
I	Assets for Own Use	
i)	Intangible Assets	6 years

### 1.4 Impairment of Fixed Assets

Wherever events or changes in circumstances indicate that the carrying amount of fixed assets may be impaired, the Company subjects such assets to a test of recoverability, based on discounted cash flows expected from use or disposal thereof. If the assets are impaired, the Company recognizes an impairment loss as the excess of the carrying amount over the recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying amount after reversal is not increased beyond the carrying amount that would have prevailed by charging usual depreciation if there was no impairment.

### 1.5 Capital Work in Progress

Capital work in progress is stated at cost and includes development and other expenses including interest during construction period.

### 1.6 Investments

- a) Investment which are readily realizable and intended to be held 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 investment.
- b) Current Investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term Investments are stated at cost. Provision for diminution in value, is made to recognize a decline other than temporary in the value of the investments.
- c) Cost includes acquisition charges such as brokerage, fee, duties and borrowing costs that are directly attributable to the acquisition of the investment.

### 1.7 Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing at the time of transaction. Monetary assets and liabilities expressed in foreign currencies are translated into the reporting currency at the exchange rate prevailing at Balance Sheet date. Any income or expense on account of exchange difference either on settlement or on translation at the year end is recognized in the Statement of Profit and Loss.



A handwritten signature in black ink, consisting of a stylized 'R' followed by a horizontal line.

## Bharat Road Network Limited

### 1.8 Prior Period and Extra Ordinary Items

Prior Period and Extra Ordinary items having material impact on the financial affairs of the Company are disclosed separately.

### 1.9 Borrowing Costs

Borrowing costs to the extent attributed to the acquisition/construction of qualifying assets are capitalized up to the date when such assets are ready for its intended use and all other borrowing costs are recognized as an expense in the year in which they are incurred.

### 1.10 Employee Benefits

#### a) Short term employee benefits

Short term employee benefits based on expected obligation on undiscounted basis are recognised as expense in the Statement of Profit and Loss for the period in which the related service is rendered.

#### b) Defined contribution plan

Company's contribution towards Regional Provident Fund Authority and Employee State Insurance Corporation are charged to the Statement of Profit and Loss.

#### c) Defined benefit plan

Company's liabilities towards gratuity and leave benefits are defined benefit plans. Such liabilities are ascertained by an independent actuary as per the requirement of Accounting Standard – 15 (revised 2005) "Employee Benefits".

All actuarial gains and losses are recognised in Statement of Profit and Loss in the year in which they occur.

### 1.11 Segment Reporting

The company is primarily engaged in a single business segment of purchase, own, build, develop, design, Operate, transfer road and related services. All the activities of the company revolved around the main business. As such there are no separate reportable segments as per Accounting Standard -17 "Segment Reporting".

### 1.12 Taxes on Income

a) Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.

b) Deferred tax is recognized on timing differences which is the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets subject to the consideration of prudence are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.



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## Bharat Road Network Limited

### 1.13 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events; it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

### 1.14 Earnings per Share

The Company reports basic and diluted earnings per equity share in accordance with Accounting Standard-20, Earnings per Share notified by the Central Government under the Companies (Accounting Standards) Rules, 2006. Basic earnings per equity share have been computed by dividing net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the net profit (loss) after tax for the year by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.



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2 Share Capital

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	Number	Amount (₹)	Number	Amount (₹)
a) <b>Authorised</b> Equity Shares of ₹ 10 each	10,000,000	100,000,000	10,000,000	100,000,000
		<b>100,000,000</b>		<b>100,000,000</b>
b) <b>Issued, Subscribed &amp; Paid up</b> Equity Shares of ₹ 10 each fully paid up	10,000,000	100,000,000	10,000,000	100,000,000
<b>Total</b>	<b>10,000,000</b>	<b>100,000,000</b>	<b>10,000,000</b>	<b>100,000,000</b>

- c) **The rights, preferences and restrictions attached to each class of Equity shares are as under:**  
The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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
- d) The reconciliation of the number of shares outstanding at the beginning and at the end of year has been shown in the table below:

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Equity Shares	Amount (₹)	No. of Equity Shares	Amount (₹)
Shares outstanding at the beginning of the year	10,000,000	100,000,000	10,000,000	100,000,000
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	10,000,000	100,000,000	10,000,000	100,000,000

- e) **Details of each shareholder holding more than 5% shares :-**

Name of Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Srei Venture Capital Trust A/c-Infrastructure Project Development Capital	9,950,000	99.50%	9,950,000	99.50%

3 Reserves and Surplus

Particulars	(Amount in ₹)	
	As at 31st March, 2015	As at 31st March, 2014
Surplus/(deficit) in the Statement of Profit and Loss		
Opening Balance	(7,113,215)	(8,039,675)
Add: Net Profit for the year	1,704,639	926,460
<b>Total</b>	<b>(5,408,576)</b>	<b>(7,113,215)</b>



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**BHARAT ROAD NETWORK LIMITED**  
Notes to Financial Statements (Contd.)

4 Long-term borrowings

(Amount in ₹)

Particulars	As at 31st March, 2015	As at 31st March, 2014
i) Secured		
Term Loan from financial Institution	941,910,000	3,671,850,000
<b>Total</b>	<b>941,910,000</b>	<b>3,671,850,000</b>

Repayment Schedule as at 31st March, 2015

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Years	
<b>Secured Term Loan</b>					
Term Loan <sup>1</sup>	-	-	-	-	-
Term Loan <sup>1</sup>	-	-	-	-	-
Term Loan <sup>2</sup>	333,333	666,667	-	-	1,000,000
Term Loan <sup>2</sup>	240,833,333	481,666,667	-	-	722,500,000
Term Loan <sup>2</sup>	218,410,000	-	-	-	218,410,000
					941,910,000
<b>Unsecured Term Loan</b>					
Term Loan <sup>3</sup>	-	-	-	-	-
					-
	459,576,666	482,333,334	-	-	941,910,000

Repayment Schedule as at 31st March, 2014

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Years	
<b>Secured Term Loan</b>					
Term Loan <sup>1</sup>	150,550,000	301,100,000	-	-	451,650,000
Term Loan <sup>1</sup>	433,333,333	866,666,667	-	-	1,300,000,000
Term Loan <sup>2</sup>	931,466,667	465,733,333	-	-	1,397,200,000
Term Loan <sup>2</sup>	348,666,667	174,333,333	-	-	523,000,000
					3,671,850,000
<b>Unsecured Term Loan</b>					
Term Loan <sup>3</sup>	-	-	-	14,000,000	14,000,000
					14,000,000
	1,864,016,667	1,807,833,333	-	14,000,000	3,685,850,000

Nature of security for Secured borrowing:

<sup>1</sup> Both the Rupee term loans have been prepaid in full during the current year (outstanding balance as at 31st March 2014: ₹ 451,650,000 & ₹ 1,300,000,000). These loans were secured by way of first charge on all cash flow & all moveable assets (both present & future), pledge (along with Power of Attorney) of entire shareholding of the Company held by Infrastructure Project Development Fund (IPDF) and demand promissory note covering the principal and interest repayment. Interest was payable half-yearly, compounding on monthly rest @14% per annum.



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**BHARAT ROAD NETWORK LIMITED**  
**Notes to Financial Statements (Contd.)**

**Nature of security for Secured borrowing (continued):**

<sup>2</sup> Rupee term loans of ₹ 1,000,000, ₹ 722,500,000 and ₹ 218,410,000 (outstanding balance as at 31st March 2014: ₹ 1,397,200,000, ₹ 523,000,000 and ₹ Nil respectively) are secured by way of first charge on all cash flow & all moveable assets (both present & future), pledge (along with Power of Attorney) of entire shareholding of the Company held by Infrastructure Project Development Fund (IPDF) and Infrastructure Project Development Capital (IPDC) and demand promissory note covering the principal and interest repayment. Interest is payable @ 14% per annum compounding on monthly rest.

**Terms of repayment for Unsecured borrowing:**

<sup>3</sup> This Rupee term loans has been repaid in full during the current year (outstanding balance as at 31st March 2014 : ₹ 14,000,000). Interest was payable @ 14% per annum compounding on monthly rest.

**5 Long-Term Provisions**

Particulars	(Amount in ₹)	
	As at 31st March, 2015	As at 31st March, 2014
Provision for Employee Benefits		
-Gratuity	1,138,180	450,340
-Leave Encashment	816,180	458,670
-Sick Leave Availment	117,290	83,240
<b>Total</b>	<b>2,071,650</b>	<b>992,250</b>

**6 Short-term Borrowings**

Particulars	(Amount in ₹)	
	As at 31st March, 2015	As at 31st March, 2014
<b>Secured</b>		
Loan Repayable on Demand - Bank Overdraft	1,110,699,453	-
<b>Unsecured</b>		
Inter Corporate Deposit from related party (Refer Note 24.2)	-	658,200,000
Inter Corporate Deposit (ICD) from others	1,200,000,000	-
Term Loan from bodies corporate	515,000,000	-
<b>Total</b>	<b>2,825,699,453</b>	<b>658,200,000</b>

Interest of ₹ 2,451,175 on unsecured loan become due and remained unpaid for 2 months as on 31st March, 2015.

**Terms of repayment of Secured Short-term borrowings:**

Bank Overdraft of ₹ 1,110,699,453 (As at 31st March 2014: ₹ Nil) is to be secured by First Pari Passu Charge on Current Assets of the Company and repayable on demand. Interest is payable monthly @ base rate + 1.35% per annum.

**Terms of repayment of Unsecured Short-term borrowings:**

Principal loan amount of ₹ Nil (As at 31st March 2014 : ₹ 658,200,000) repayable as bullet payment on 31 Mar 2015. Interest is payable on maturity @ 10% per annum.

Principal loan amount of ₹ 515,000,000 (As at 31st March 2014 : ₹ Nil) repayable as bullet payment at the end of one year from the initial drawdown date. Interest is payable monthly @ 10.5% per annum.

Principal ICD amount of ₹ 950,000,000 (As at 31st March 2014 : ₹ Nil) repayable on demand. Interest is payable annually @ 9% per annum.

Principal ICD amount of ₹ 250,000,000 (As at 31st March 2014 : ₹ Nil) repayable as bullet payment at the end of one year from the initial drawdown date. Interest is payable on maturity @ 12% per annum.



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**BHARAT ROAD NETWORK LIMITED**  
Notes to Financial Statements

**7 Trade Payable**

(Amount in ₹)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Due to Micro, Small and Medium Enterprises (Refer Note 24.5)	-	-
Due to Others	10,238,010	17,332,169
<b>Total</b>	<b>10,238,010</b>	<b>17,332,169</b>

**8 Other Current Liabilities**

(Amount in ₹)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Current maturities of Long term borrowings	-	14,000,000
Interest Accrued but not due on borrowings	35,599,337	36,833,513
Interest Accrued and due on borrowings	2,451,175	-
<b>Other Payables:</b>		
Liability for expenses	404,724	4,767,584
Salary & other payroll dues	1,580,229	950,926
Service Tax payable	3,766,186	4,292,945
TDS Payable	3,616,105	16,680,108
PF Payable	154,900	190,306
Professional Tax Payable	200	330
<b>Total</b>	<b>47,572,856</b>	<b>77,715,712</b>

**9 Short-term Provisions**

(Amount in ₹)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for Income Tax	507,000	587,000
Provision for Employee Benefits		
-Gratuity	7,380	2,140
-Leave Encashment	83,480	29,990
-Sick Leave Availment	18,070	12,690
<b>Total</b>	<b>615,930</b>	<b>631,820</b>



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**BHARAT ROAD NETWORK LIMITED**

Notes to Financial Statements (Contd.)

**10 Fixed Assets**

(Amount in ₹)

Particulars	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.2014	Additions during the year	Sales/ adjustments during the year	As at 31.03.2015	As at 01.04.2014	For the year	Sales/ adjustments during the year	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>Tangible Assets</b>										
Computers	129,554	-	-	129,554	51,372	48,633	-	100,005	29,549	78,182
<b>Total</b>	<b>129,554</b>	<b>-</b>	<b>-</b>	<b>129,554</b>	<b>51,372</b>	<b>48,633</b>	<b>-</b>	<b>100,005</b>	<b>29,549</b>	<b>78,182</b>
<b>Intangible Assets</b>										
Computer Software	-	62,700	-	62,700	-	3,101	-	3,101	59,599	-
<b>Total</b>	<b>-</b>	<b>62,700</b>	<b>-</b>	<b>62,700</b>	<b>-</b>	<b>3,101</b>	<b>-</b>	<b>3,101</b>	<b>59,599</b>	<b>-</b>
<b>Grand Total</b>	<b>129,554</b>	<b>62,700</b>	<b>-</b>	<b>192,254</b>	<b>51,372</b>	<b>51,734</b>	<b>-</b>	<b>103,106</b>	<b>89,148</b>	<b>78,182</b>
Corresponding figure for the previous	85,554	44,000	-	129,554	23,047	28,325	-	51,372	78,182	-

Depreciation for the current year has been aligned to meet the requirement of Schedule II to the Companies Act, 2013. Had the Company continued to charge depreciation based on rates and manner as specified under the erstwhile Schedule XIV to the Companies Act, 1956, depreciation expenses would have been lower by Rs.16,245/- and profit before tax for the year ended 31st March, 2015 and net value of fixed assets as at that date would have been higher by the like amount.



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**BHARAT ROAD NETWORK LIMITED**  
Notes to Financial Statements (Contd.)

11. Non-Current Investments

Particulars	Face Value	As at 31st March, 2015		As at 31st March, 2014	
		Nos.	Total Cost (₹)	Nos.	Total Cost (₹)
<b>Long Term Investment (At cost) Trade, Fully Paid up</b> <sup>A</sup>					
<b>i. In Equity Instruments (Unquoted)</b>					
<b>Subsidiary Company</b>					
Solapur Tollways Pvt. Ltd. [Pledged with Lenders 490,200 Equity Shares] <sup>B</sup>	10	490,200	6,417,103	490,200	5,633,980
Associate Company					
Orissa Steel Expressway Pvt. Ltd. [Pledged with Lenders 17,125,238 Equity Shares] <sup>B</sup>	10	34,949,667	492,207,830	34,949,667	432,152,529
Kurukshetra Expressway Pvt. Ltd. [Pledged with Lenders 30,581,950 Equity Shares] <sup>B</sup>	10	30,581,950	825,006,054	30,581,950	724,324,894
Ghaziabad Aligarh Expressway Pvt. Ltd. [Pledged with Lenders 38,586,600 Equity Shares] <sup>B, C</sup>	10	75,655,000	1,255,411,479	53,350,000	661,307,578
Shree Jagannath Expressways Pvt. Ltd. [Pledged with Lenders 9,765,480 Equity Shares] <sup>B</sup>	10	38,452,400	535,297,751	38,452,400	469,971,687
Potin Pangin Highways Pvt. Ltd. [Pledged with Lenders 5,355 Equity Shares] <sup>B</sup>	10	20,000	245,175	20,000	215,255
Guruvyoor Infrastructure Pvt Ltd. [Pledged with Lenders 42,218,106 Equity Shares] <sup>B, C</sup>	10	45,270,000	679,567,194	-	-
			3,794,152,586		2,293,605,923
<b>II. In Unsecured Participatory Convertible Debenture (Unquoted)</b> <sup>D</sup>					
<b>Subsidiary Company</b>					
Solapur Tollways Pvt. Ltd.	10	-	-	65,820,000	748,038,768
<b>Associate Company</b>					
Potin Pangin Highways Pvt. Ltd.	10	1,985,500	24,593,600	1,985,500	21,423,781
<b>Other Company</b>					
Mahakaleshwar Tollways Pvt. Ltd.	10	-	-	26,658,500	310,154,351
Guruvyoor Infrastructure Pvt. Ltd. (Associate w.e.f. 30 March, 2015)	10	-	-	88,102,100	1,001,274,738
			24,593,600		2,080,891,638
<b>Aggregate amount of Unquoted Investments (A+B)</b>			<b>3,818,746,186</b>		<b>4,374,497,561</b>

<sup>A</sup> Refer Note 24.7

<sup>B</sup> The Company has pledged its investment in shares aggregating to ₹ 2,482,671,061/- (As at 31st March 2014: ₹ 620,856,002/-) in favour of Security Trustees for loan taken by Subsidiary and Associate Companies. In some cases, the pledge quantities of shares mentioned above includes shares to be pledged.

<sup>C</sup> Investment in Equity shares of Ghaziabad Aligarh Expressway Pvt. Ltd and Guruvyoor Infrastructure Pvt Ltd includes 22,305,000 Equity Shares and 45,270,000 Equity Shares respectively, which are in the process of transfer in the name of Company.

<sup>D</sup> The Unsecured Optionally Convertible Participating Interest bearing Debentures does not carry any fixed rate of interest. Rate of interest, subject to maximum of 16% cumulative interest, shall be decided every year at the end of the Financial Year based on the residual cash flows after servicing Senior Lenders of the issuer.



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BHARAT ROAD NETWORK LIMITED  
Notes to Financial Statements (Contd.)

12 Deferred Tax Assets (Net)

(Amount in ₹)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Components of Deferred Tax Liability :		
Depreciation	10,116	14,486
Less : Deferred Tax Assets recognised to the extent of liability	(10,116)	(14,486)
<b>Total</b>	<b>-</b>	<b>-</b>

13 Long-term loans and advances  
(Unsecured, considered good)

(Amount in ₹)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Other Long-Term Advances</b>		
Debenture Application Money	-	55,000,000
Advance Income Tax including Tax deducted at Source	11,662,340	6,576,354
MAT Credit Entitlement	507,000	177,000
<b>Total</b>	<b>12,169,340</b>	<b>61,753,354</b>

14 Trade Receivables

(Unsecured, considered good)

(Amount in ₹)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Debt outstanding for a period exceeding six months from the due date	25,252,192	2,485,616
Other Debts	35,274,517	44,336,450
<b>Total</b>	<b>60,526,709</b>	<b>46,822,066</b>

15 Cash and Cash Equivalents

(Amount in ₹)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Cash and Cash Equivalents</b>		
Balances with scheduled banks - In Current Accounts	6,272,065	688,596
<b>Total</b>	<b>6,272,065</b>	<b>688,596</b>

16 Short Term Loans and Advances  
(Unsecured, considered good)

(Amount in ₹)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Other Loans and Advances :</b>		
Prepaid Expenses	-	59,000
Advance to staff	23,150	20,000
Advance to Vendor and others	305,000	33,000
<b>Total</b>	<b>328,150</b>	<b>112,000</b>

17 Other Current Assets

(Unsecured, considered good)

(Amount in ₹)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Interest accrued	24,541,107	24,541,107
Unallocated borrowing cost	-	4,323,237
Unbilled revenue	-	5,573,719
Other receivables for reimbursements	-	288,544
Others	26,618	930,370
<b>Total</b>	<b>24,567,725</b>	<b>35,656,977</b>



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**BHARAT ROAD NETWORK LIMITED**  
Notes to Financial Statements (Contd.)

**18 Revenue from Operations**

(Amount in ₹)

Particulars	Year ended 31st March, 2015	Year ended 31st March 2014
<b>Sale of services:</b>		
Toll operations and maintenance	61,226,658	67,373,574
Project Management Consultancy	43,100,083	40,000,000
Retainership Fee	-	2,000,000
<b>Total</b>	<b>104,326,741</b>	<b>109,373,574</b>

**19 Other Income**

(Amount in ₹)

Particulars	Year ended 31st March, 2015	Year ended 31st March 2014
Interest on Loan	328,767	-
Interest on Fixed Deposit with Bank	-	197,658
Interest on Income Tax refund	-	80
Penal Charges Recovery	-	37,086
<b>Total</b>	<b>328,767</b>	<b>234,824</b>

**20 Operational Expenses**

(Amount in ₹)

Particulars	Year ended 31st March, 2015	Year ended 31st March 2014
Toll Operating Expenses	50,020,674	55,517,354
<b>Total</b>	<b>50,020,674</b>	<b>55,517,354</b>

**21 Employee benefits expense**

(Amount in ₹)

Particulars	Year ended 31st March, 2015	Year ended 31st March 2014
Salaries & Allowances	27,645,948	28,649,793
Contribution to Provident and Other Funds	1,245,886	1,173,171
Staff Welfare Expenses	130,796	46,771
<b>Total</b>	<b>29,022,630</b>	<b>29,869,735</b>

**22 Finance Costs**

(Amount in ₹)

Particulars	Year ended 31st March, 2015	Year ended 31st March 2014
Interest expenses on borrowings	405,347,329	504,361,449
Other borrowing costs	-	9,341,000
	405,347,329	513,702,449
Less: Capitalised to Investments	395,367,388	501,634,283
<b>Total</b>	<b>9,979,941</b>	<b>12,068,166</b>



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**BHARAT ROAD NETWORK LIMITED**  
Notes to Financial Statements (Contd.)

**23 Other Expenses**

(Amount in ₹)

Particulars	Year ended 31st March, 2015	Year ended 31st March 2014
Legal & Professional Fees	7,887,717	6,807,096
Travelling and Conveyance	4,508,244	3,285,608
Filing Fees	40,200	10,500
Rates & Taxes	443,090	512,117
Repairs & Maintenance- Others	442,702	173,253
Postage, Telegram & Telephone	137,964	114,691
Membership & Subscription	59,000	59,000
Sales Promotion	27,435	36,907
Insurance Premium	13,571	-
Payment to Auditor :		
-For Audit	100,000	100,000
-Other Services	93,488	55,600
Printing & Stationery	75,737	18,763
General Expenses	27,772	24,823
<b>Total</b>	<b>13,856,920</b>	<b>11,198,358</b>



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**BHARAT ROAD NETWORK LIMITED**  
Notes to Financial Statements (Contd.)

**24 Other Disclosures**

**24.1 Disclosure pursuant to Accounting Standard (AS) 15:**

**Defined Contribution Plans:**

The Company provides Provident Fund benefit to all employees. Under this scheme fixed contribution is made to the Regional Provident Fund Commissioner. The Company has no legal and constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay employee benefits. The Company has made contributions of ₹ 1,145,748/- (31st March, 2014: ₹ 1,053,619/-) to Regional Provident Fund Authority, which is recognised as expense in the Statement of Profit and Loss.

**Defined Benefit Plans:**

The Employees' Gratuity scheme, Leave benefit scheme, and Sick Leave availment scheme are the Company's defined benefit plans. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

The following tables set out the details of amount recognized in the financial statements in respect of gratuity and leave benefits which is not funded:

		(Amount in ₹)			
S.No.	Particulars Defined benefit plans (As per actuarial valuation)	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
		Year ended 31st March, 2015	Year ended 31st March, 2014	Year ended 31st March, 2015	Year ended 31st March, 2014
<b>I</b>	<b>Change in Defined Benefit Obligations (DBO) during the year</b>				
	Present Value of DBO at beginning of the year	452,480	352,830	488,660	937,530
	Current Service Cost	522,410	439,280	472,950	277,940
	Interest cost	41,850	28,930	36,950	45,460
	Curtailement cost / (credit)	-	-	-	-
	Settlement cost / (credit)	-	-	-	-
	Plan amendments	-	-	-	-
	Acquisitions	-	-	-	-
	Actuarial Losses / (Gains)	128,820	(368,560)	79,600	5,890
	Benefits Paid	-	-	(178,500)	(766,380)
	Employee contribution	-	-	-	-
	Other Adjustments	-	-	-	-
	<b>Present Value of DBO at the end of the year</b>	<b>1,145,560</b>	<b>452,480</b>	<b>899,660</b>	<b>488,660</b>
<b>II</b>	<b>Net assets / (liability) recognised in Balance Sheet</b>				
	Present value of Defined Benefit Obligation	1,145,560	452,480	899,660	488,660
	Fair value of plan assets	-	-	-	-
	Funded status [Surplus/(Deficit)]	(1,145,560)	(452,480)	(899,660)	(488,660)
	Unrecognized past service cost	-	-	-	-
	Net asset/ (liability) recognised in Balance Sheet	(1,145,560)	(452,480)	(899,660)	(488,660)
	<b>Current Asset / (Liability)</b>	<b>(7,380)</b>	<b>(2,140)</b>	<b>(83,480)</b>	<b>(29,990)</b>
	<b>Non Current Asset / (Liability)</b>	<b>(1,138,180)</b>	<b>(450,340)</b>	<b>(816,180)</b>	<b>(458,670)</b>



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**BHARAT ROAD NETWORK LIMITED**  
Notes to Financial Statements

(Amount in ₹)

S.No.	Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
		Year ended 31st March, 2015	Year ended 31st March, 2014	Year ended 31st March, 2015	Year ended 31st March, 2014
	<b>Defined benefit plans (As per actuarial valuation)</b>				
<b>III</b>	<b>Components of Employer Expenses</b>				
	Current Service cost	522,410	439,280	472,950	277,940
	Interest cost	41,850	28,930	36,950	45,460
	Expected return on plan assets	-	-	-	-
	Curtailment cost / (credit)	-	-	-	-
	Settlement cost / (credit)	-	-	-	-
	Past service cost	-	-	-	-
	Actuarial Losses / (Gains)	128,820	(368,560)	79,600	(5,890)
	<b>Total expenses recognised in the Statement of Profit &amp; Loss</b>	<b>693,080</b>	<b>99,650</b>	<b>589,500</b>	<b>317,510</b>
<b>IV</b>	<b>Actuarial Assumptions</b>				
	Discount Rate	7.80%	9.25%	7.80%	9.25%
	Expected return on plan assets	NA	NA	NA	NA
	Salary Escalation	10.00%	10.00%	10.00%	10.00%
	Mortality	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)
	Retirement/ Superannuation Age	Employees: 60 yrs Director : 65 yrs		Employees: 60 yrs Director : 65 yrs	

V The amounts for the current and previous years are as follows:

(Amount in ₹)

S.No	Particulars	Gratuity		
		As at 31 March, 2015	As at 31 March, 2014	As at 31 March, 2013
1	Defined Benefit Obligation	1,145,560	452,480	352,830
2	Fair Value of Plan Assets	-	-	-
3	Deficit	1,145,560	452,480	352,830
4	Experience adjustments on plan liabilities - gain / (loss)	35,340	310,290	-
5	Experience adjustments on plan assets - gain / (loss)	-	-	-
6	Actuarial gain / (loss) due to change on assumptions	(164,160)	58,270	-



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(Amount in ₹)

S.No	Particulars	Leave		
		31 March, 2015	31 March, 2014	31 March, 2013
1	Defined Benefit Obligation	899,660	488,660	937,530
2	Fair Value of Plan Assets	-	-	-
3	Deficit	899,660	488,660	937,530
4	Experience adjustments on plan liabilities - gain / (loss)	28,730	(53,710)	(860,950)
5	Experience adjustments on plan assets - gain / (loss)	-	-	-
6	Actuarial gain / (loss) due to change on assumptions	(108,330)	59,600	-

Figures pertaining to period prior to 31 March, 2013 have not been disclosed as FY 2012-13 was the first year of actuarial valuation.

(Amount in ₹)

S.No	Particulars	Sick Leave Benefit	
		Year ended 31 March, 2015	Year ended 31 March, 2014
<b>Assets/ Liabilities</b>			
1	Defined Benefit Obligation	135,360	95,930
2	Fair Value of Plan Assets	-	-
3	Current Asset / (Liability)	(18,070)	(12,690)
4	Non Current Asset / (Liability)	(117,290)	(83,240)
<b>Actuarial Assumptions</b>			
1	Discount Rate	7.80%	9.25%
2	Expected return on plan assets	NA	NA
3	Salary Escalation	10.00%	10.00%
4	Mortality	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)
5	Retirement/ Superannuation Age	Employees: 60 yrs Director : 65 yrs	

VI Other disclosures :

Basis of estimates of Rate of escalation in salary :

- a) The estimates of rate of escalation in salary, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.
- b) The Gratuity and Leave Encashment have been recognised under "Salaries and allowances" under Note No.21.



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BHARAT ROAD NETWORK LIMITED  
Notes to Financial Statements (Contd.)

24 Other disclosures (Contd.)  
24.2 Related Party Transactions

(I) Related Parties:

Sl.No	Name of the Party & Nature of relationship	Country of Origin
A	Investor having control Infrastructure Project Development Capital	India
B	Subsidiary Solapur Tollways Pvt. Ltd.	India
C	Associates Orissa Steel Expressway Pvt. Ltd. Kurukshetra Expressway Pvt. Ltd. Ghaziabad Aligarh Expressway Pvt. Ltd. Shree Jagannath Expressways Pvt. Ltd. Potin - Pangin Highway Pvt. Ltd. Guruvyoor Infrastructure Pvt Ltd (w.e.f. 30th March, 2015)	India India India India India India
D	Key Management Personnel (KMP) Asim Tewari (CEO upto 30th June, 2015) Anurag Kuba (CEO w.e.f. 29th June, 2015) Alok Nagpal (CFO upto 7th July, 2015) Samita Lahiri (Company Secretary upto 31st August, 2015)	India India India India
E	Relatives of KMP Roli Tewari (Wife of Asim Tewari) Sonia Nagpal (Wife of Alok Nagpal)	India India

The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

No amount has been written back / written off during the year in respect of due to / from related parties. The amount due from related parties are good and hence no provision for doubtful debts in respect thereof is required.

(II) Summary of Transactions with Related Parties

(Amount in ₹)

Name of the related party	Nature of Transaction & Outstanding Balances	2014-15	2013-14
<b>(A) Investor having Control/significant influence :</b>			
Infrastructure Project Development Capital	Share Application money refunded	-	250,000,000
	Purchase of Equity Shares of : - Ghaziabad Aligarh Expressway Pvt. Ltd.	501,862,500	-



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**BHARAT ROAD NETWORK LIMITED**  
Notes to Financial Statements

(II) Summary of Transactions with Related Parties (Amount in ₹)

Name of the related party	Nature of Transaction & Outstanding Balances	2014-15	2013-14
<b>(B) Subsidiary</b>			
Solapur Tollways Pvt Ltd	<b>Transactions :</b>		
	Subscription to Unsecured Participatory Convertible Debenture	-	283,200,000
	Inter Corporate Deposit taken/(refunded)	(658,200,000)	658,200,000
	Inter Corporate Deposit given	15,000,000	-
	Inter Corporate Deposit refund received	15,000,000	-
	Interest Expenses on ICD taken	13,851,013	180,329
	Interest Income on ICD given	328,767	-
	Income from Project Management Consultancy	20,000,000	20,000,000
	<b>Balance due:</b>		
	Cost of Investment pledged as collateral for loan taken from bank	6,417,103	2,902,051
Balance payable ICD taken	-	658,200,000	
Balance receivable ICD given	-	-	
Trade Receivable (incl service tax)	40,944,000	20,472,000	
Interest Accrued but not due on ICD	-	180,329	
<b>(C) Associates :</b>			
Orissa Steel Expressway Pvt. Ltd.	<b>Transactions :</b>		
	Subscription to Equity Shares	-	46,000,000
	Income from Project Management Consultancy	20,000,000	20,000,000
	<b>Balance due:</b>		
Cost of Investment pledged as collateral for loan taken from bank	241,180,445	-	
Trade Receivable- Balance (incl service tax)	10,472,000	20,224,800	
Kurukshetra Expressway Pvt. Ltd.	<b>Transactions :</b>		
	Subscription to Equity Shares	-	147,539,000
	Unsecured Participatory Convertible Debenture allotted against application money	55,000,000	-
	Debenture Application money paid	-	55,000,000
	<b>Balance due:</b>		
Debenture Application money	-	55,000,000	
Cost of Investment pledged as collateral for loan taken from bank	825,006,054	204,198,990	
Ghaziabad Aligarh Expressway Pvt. Ltd.	<b>Transactions :</b>		
	Unsecured Loan given	-	370,000,000
	Unsecured Loan refunded	-	370,000,000
<b>Balance due:</b>			
Cost of Investment pledged as collateral for loan taken from bank	640,302,169	294,341,991	
Potin - Pangin Highway Pvt. Ltd.	<b>Balance due:</b>		
Cost of Investment pledged as collateral for loan taken from bank	65,646	57,635	
Shree Jagannath Expressways Pvt. Ltd.	<b>Balance due:</b>		
Cost of Investment pledged as collateral for loan taken from bank	135,945,727	119,355,336	
Guruvyoor Infrastructure Pvt Ltd (w.e.f. 30th March, 2015)	<b>Balance due:</b>		
Cost of Investment pledged as collateral for loan taken from bank	633,753,917	-	



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BHARAT ROAD NETWORK LIMITED  
Notes to Financial Statements

(II) Summary of Transactions with Related Parties (continued)

(Amount in ₹)

<b>(D) Key Management Personnel :</b>			
Kamal Verma	Salary & Allowances	-	9,555,563
Asim Tewari	Salary & Allowances	6,515,051	4,149,803
Alok Nagpal	Salary & Allowances	7,273,429	5,793,508
Samita Lahiri	Salary & Allowances	1,730,942	1,666,973
<b>(E) Relatives of KMP</b>			
Roll Tewari	Car Hire Charges	300,000	382,258
Sonia Nagpal	Car Hire Charges	300,000	379,032

24.3 Earnings per Share

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<b>Basic and Diluted Earnings per Share</b>		
Net Profit/ (Loss) after tax attributable to Equity Shareholders (in ₹)	1,704,639	926,460
Weighted average number of Equity Shares Basic (Nos.)	10,000,000	10,000,000
Weighted average number of Potential Equity Shares (Nos.)	-	-
Weighted average number of Equity Shares Diluted (Nos.)	10,000,000	10,000,000
Nominal Value of Equity per share (₹)	10	10
Basic Earnings per share (₹)	0.17	0.09
Diluted Earnings per share (₹)	0.17	0.09

24.4 The Deferred Tax Asset (net) of ₹ 1,711,235 (31 March 2014 : ₹ 2,313,532) arising out of timing difference as on 31 March, 2015 is on account of the following:

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Components of Deferred Tax Asset/(Liability):</b>		
Carry forward Losses	1,369,813	2,186,657
Provision for Gratuity	353,978	139,816
Preliminary Expenses	-	1,545
Depreciation	(10,116)	(14,486)
<b>Deferred Tax Asset (Net)</b>	<b>1,713,675</b>	<b>2,313,532</b>

Note: On the basis of prudence, deferred tax asset has been recognized in the books of Accounts to the extent of deferred tax liability.

24.5 The Company has not received any memorandum (as required to be filed by suppliers with the notified authority under the Micro, Small and Medium Enterprise Development Act, 2006) claiming their status as on 31st March, 2015 as micro, small or medium enterprise. Consequently the amount paid / payable to these parties during the year is nil (As at 31st March 2014: Nil).

24.6 Segment Reporting

The Company is primarily engaged in a single business segment of own, build, develop, design, operate, transfer road and related services. All the activities of the Company revolve around the main business. As such there are no separate reportable segments as per Accounting Standard -17 "Segment Reporting" notified by the Central Government under the Companies (Accounting Standards) Rules, 2006.



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**BHARAT ROAD NETWORK LIMITED****Notes to Financial Statements**

24.7 The Company is presently engaged in the business of designing, building, operating, maintaining and carrying out all other activities pertaining to road projects. As per the guidelines of respective Government Authority and the requirements of the Concession Agreements, such road projects are required to be implemented under the Built, Operate & Transfer (BOT) model by creating Special Purpose Vehicles (SPVs) so that after the concession period, the SPV can be transferred to the respective authority on an "as is where is basis". The Company has, therefore, invested in various road projects under the aforesaid SPV model.

These investments have been made on a long term basis with an objective to obtain return and capital appreciation after the commencement of commercial operations of the respective Project.

Based on a legal opinion, the Company has treated these investments as "Qualifying Asset". As required by Accounting Standard 16 on 'Borrowings Costs', Accounting Standard 13 on 'Investments' and in accordance with the accounting concept of 'Matching costs and revenues', the Company has capitalised borrowing cost incurred on funds borrowed exclusively for investments in SPVs as part of the cost of investments.

Accordingly, non current investments and Other current assets includes borrowing cost of ₹ 733,619,016/- including ₹ 322,803,982/- for the year (As at 31st March 2014: ₹ 664,476,891/- including ₹ 49,73,11,046/- for the year) and ₹ nil/- (As at 31st March 2014 : ₹ 4,323,237) respectively incurred on loan borrowed for acquisition of these investments. The borrowing cost of ₹ 4,323,237/- included in Other current assets as at 31st March 2014 has been allocated to respective investment during the current year.

**24.8 Details of Loan given, Investments made and security provided covered under section 186 (4) of the Companies Act, 2013**

The particulars of Investments made and security provided are given under "Non - current investments" in Note No. 11.

The particulars of loan given are as under:

Particulars	As at 31st March, 2015 Rs.
Name of the Loanee	Solapur Tollways Pvt. Ltd.
Amount of loan *	15,000,000
Rate of interest	10% per annum
Terms of repayment of loan	Repayable on demand
Purpose of utilization of loan by the Loanee	In road project under construction

\* Amount given and received back during the year.

**24.9 Earnings / Expenses in Foreign Currency - ₹ Nil (Previous Year - ₹ Nil).**

24.10 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report annexed.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm Registration No.302082E

CA Ajay Agrawal  
Partner  
Membership No.17643



On behalf of the Board of Directors

Bajrang K Choudhary  
Director  
DIN : 00441872

Brahm Dutt  
Chairman  
DIN : 05308908

Place : Kolkata  
Date : 25th September, 2015

# **BHARAT ROAD NETWORK LIMITED**

**Consolidated Financial Statement**

**For the Financial Year 2014-2015**

**CIN: U45203WB2006PLC112235**

**Registered Office: MIRANIA GARDENS, 10B TOPSIA ROAD (SOUTH) KOLKATA -700046**

**BHARAT ROAD NETWORK LIMITED**

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015 AND STATEMENT OF PROFIT & LOSS  
FOR THE YEAR ENDED ON THAT DATE**

**G.P. AGRAWAL & CO  
CHARTERED ACCOUNTANTS**



**Independent Auditors' Report**  
To The Members of **Bharat Road Network Limited**

**Report on the consolidated financial statements**

We have audited the accompanying consolidated financial statements of **Bharat Road Network Limited** (hereinafter referred to as "the Holding Company") and its Subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements") for the year then ended.

**Management's responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act/other relevant regulations applicable, for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are



## BHARAT ROAD NETWORK LIMITED

Consolidated Balance Sheet as at 31st March, 2015

	Notes	As at 31st March, 2015 (Amount in ₹)
<b>I. EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
(a) Share capital	2	100,000,000
(b) Reserves and surplus	3	(309,190,681)
<b>Minority Interest</b>		
<b>Non-Current Liabilities</b>		
(a) Long-term borrowings	4	2,804,310,000
(b) Long-term provisions	5	2,377,378
<b>Current Liabilities</b>		
(a) Short-term borrowings	6	2,865,699,453
(b) Trade payables	7	10,238,010
(c) Other current liabilities	8	547,362,315
(d) Short-term provisions	9	615,930
		<b>6,021,412,405</b>
<b>II. ASSETS</b>		
<b>Non-Current Assets</b>		
(a) Fixed Assets		
-Tangible assets	10	751,772
-Intangible assets	10	59,599
-Intangible assets under development	11	1,617,698,845
(b) Goodwill on consolidation		15,181,035
(c) Non-current investments	12	3,530,786,455
(d) Long-term loans and advances	13	722,416,108
<b>Current Assets</b>		
(a) Trade receivables	14	19,582,709
(b) Cash and bank balances	15	88,284,486
(c) Short-term loans and advances	16	328,150
(d) Other current assets	17	26,323,246
		<b>6,021,412,405</b>
Significant Accounting Policies	1	
Other disclosure	23 to 24	

The accompanying notes are an integral part of the Consolidated Financial Statements.  
This is the Consolidated Balance Sheet referred to in our report of even date.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm Registration No.302082E

(CA Ajay Agrawal)  
Partner  
Membership No.17643



On behalf of the Board of Directors

Bajrang K Choudhary  
Director  
DIN : 00441872

Brahm Dutt  
Chairman  
DIN : 05308908

Place : Kolkata  
Date : 25th day of September, 2015

## BHARAT ROAD NETWORK LIMITED

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

	Notes	Year ended 31st March, 2015 (Amount in ₹)
<b>INCOME</b>		
Revenue from operations	18	84,326,741
<b>Total Revenue</b>		<b>84,326,741</b>
<b>EXPENSES</b>		
Operational expenses	19	50,020,674
Employee benefits expense	20	29,022,630
Finance costs	21	9,979,941
Depreciation and amortisation expense	10	51,734
Other expenses	22	14,252,527
<b>Total Expenses</b>		<b>103,327,506</b>
<b>Profit before exceptional and extra ordinary items and tax</b>		(19,000,765)
Exceptional items		-
<b>Profit before extra ordinary items and tax</b>		(19,000,765)
Extraordinary items		-
<b>Profit before tax</b>		(19,000,765)
<b>Tax expense</b>		
Current Tax		330,000
Less: MAT credit entitlement		330,000
Net Current Tax		-
Deferred tax (Net)		-
Income Tax in respect of Earlier Years		18,970
<b>Profit/ (Loss) After Tax but before share in results of Associates and Minority interest</b>		<b>(19,019,735)</b>
Share of Loss of Associates		(193,402,886)
Minority Interest		-
<b>Profit for the year</b>		<b>(212,422,621)</b>
Earnings per share (in ₹) (Face Value ₹ 10/- per Equity Share) :	23.4	
a) Basic		(21.24)
b) Diluted		(21.24)
Significant Accounting Policies	1	
Other disclosure	23 to 24	

The accompanying notes are an integral part of the Consolidated Financial Statements.  
This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

**For G. P. Agrawal & Co.**  
Chartered Accountants  
Firm Registration No.302082E

**On behalf of the Board of Directors**

(CA Ajay Agrawal)  
Partner  
Membership No.17643



  
**Bajrang K Choudhary**  
Director  
DIN : 00441872

  
**Brahm Dutt**  
Chairman  
DIN : 05308908

Place : Kolkata  
Date : 25th day of September, 2015

**BHARAT ROAD NETWORK LIMITED**  
Consolidated Cash Flow Statement for the year ended 31st March, 2015

	Year Ended 31 March, 2015 (₹)
<b>A. Cash Flow from Operating Activities</b>	
Net Profit before tax	(212,422,621)
Adjustments for:	
Share of Loss of Associates	193,402,886
Depreciation and amortisation expense	51,734
Finance costs	9,979,941
<b>Operating Profit before Working Capital Changes</b>	<b>(8,988,060)</b>
Increase/(Decrease) in Long Term Provisions	1,320,220
Increase/(Decrease) in Trade Payables	(7,094,159)
Increase/(Decrease) in Other Current Liabilities	121,254,907
Increase/(Decrease) in Short Term Provisions	(15,890)
Decrease/(Increase) in Trade Receivables	6,767,357
Decrease/(Increase) in Long Term Loans & Advances	(455,346,264)
Decrease/(Increase) in Short Term Loans & Advances	(189,408)
Decrease/(Increase) in Other Current Assets	27,718,405
<b>Cash generated from Operating activities</b>	<b>(314,572,892)</b>
Advance Income Tax (Net of refund and interest)	(8,072,107)
<b>Net Cash from Operating Activities</b>	<b>(322,644,999)</b>
<b>B. Cash Flow from Investing Activities</b>	
Decrease/(Increase) in Intangible Assets under Development	(1,004,925,933)
Purchase of Fixed Assets	(598,041)
Increase in Investments	(998,061,723)
Sale of Investments	2,191,354,500
Decrease/(Increase) in fixed deposits with banks	190,056,655
<b>Net Cash from Investing activities</b>	<b>377,825,458</b>
<b>C. Cash Flow from Financing Activities</b>	
Increase/(Decrease) in Goodwill	(901,105,994)
Increase/(Decrease) of long term borrowings	(1,805,740,000)
Increase/(Decrease) of short term borrowings	2,865,699,453
Interest paid	(456,838,276)
<b>Net Cash Flow from Financing Activities</b>	<b>(297,984,817)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(242,804,358)</b>
Opening Cash and Cash Equivalents	285,729,500
<b>Closing Cash and Cash Equivalents (Refer note no. 15)</b>	<b>42,925,142</b>

**Notes:**

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS 3) "Cash Flow Statements".
- Interest paid is inclusive of, and Investments and intangible asset under development are exclusive of, interest capitalised ₹ 395,367,388/- and ₹ 51,490,947/- respectively.
- During the year, Share/debenture application money given aggregating to ₹ 55,000,000 (31st March 2014: ₹ 4,900,000) have been converted into Investments in Equity Shares.
- Cash and cash equivalents do not include any amount which is not available to the Company for its use.

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

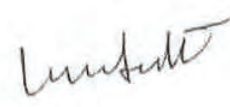
For G. P. Agrawal & Co.  
Chartered Accountants  
Firm Registration No.302082E

(CA Ajay Agrawal)  
Partner  
Membership No.17643



On behalf of the Board of Directors

  
Bajrang K Choudhary  
Director  
DIN : 00441872

  
Brahm Dutt  
Chairman  
DIN : 05308908

Place : Kolkata  
Date : 25th day of September, 2015

## 1 SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Basis of Preparation

- a) The consolidated financial statements are prepared in accordance with the historical cost convention and the accrual basis of accounting.
- b) These consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). These Financial Statements have been prepared to comply in all material respects with the Accounting Standards ('AS') specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India and relevant applicable provisions of the Companies Act, 1956, and Companies Act, 2013 to the extent applicable.
- c) The preparation of consolidated financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities including Contingent Liabilities as of the date of the financial statements and the reported income and expenses for the reporting year. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.
- d) As per the Schedule III of Companies Act, 2013, "an operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents". For the Group, there is generally no clearly identifiable normal operating cycle and hence the normal operating cycle is assumed to have duration of 12 months.

### 1.2 Principles of Consolidation

The consolidated financial statements related to Bharat Road Network Limited (the Holding Company) and its Subsidiary and associates. The Holding Company and its subsidiaries are collectively referred to as 'the Group'. The consolidated financial statements of the Group have been prepared in accordance with Accounting Standard 21 (AS-21) "Consolidated Financial Statements" and Accounting Standard 23 (AS-23) "Accounting for Investments in Associates in Consolidated Financial Statements" notified by the Central Government under the Companies (Accounting Standards) Rules, 2006. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Holding Company and its subsidiary company have been combined on line by line basis by adding together the book value of like items of Assets, Liabilities, Income and Expenses after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.
- b) In case of investments in subsidiaries, where the shareholding is less than 100%, minority interest in the net assets of consolidated subsidiaries consist of:
  - i) The amount of equity attributable to minorities at the date on which Investment in the subsidiary is made.
  - ii) The minorities' share of movements in equity since the date the holding subsidiary relationship came into existence.
- c) Uniform accounting policies for like transactions and other events in similar circumstances have been adopted and presented, to the extent possible, in the same manner as the Holding Company's separate financial statements.
- d) The excess of cost of the Holding Company of its investment in the subsidiary over the Holding Company's portion of equity of the subsidiary as at the date of investment is recognised in the consolidated financial statements as Goodwill. It is tested for impairment on a periodic basis and written-off if found impaired.



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- e) The excess of Holding Company's portion of equity of the subsidiary over cost as at the date of investment, is treated as Capital Reserve.
- f) Investment in associate is accounted using the equity method and disclosed separately in the Consolidated Balance Sheet.

**1.3 Revenue Recognition**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Group, it can be reliably measured and it is reasonable to expect ultimate collection.

- a) Income from Dividend of shares of corporate bodies is accounted when the right to receive the dividend is established.
- b) All other income is accounted for on accrual basis.

**1.4 Fixed Assets and Depreciation / Amortization**

- a) Fixed Assets are stated at Cost less accumulated depreciation. Cost includes taxes, duties, freight and incidental expenses related to the acquisition and installation of the assets.
- b) Intangible Assets comprising of computer software and licenses expected to provide future enduring economic benefits are carried at cost less accumulated amortization and impairment losses, if any. Cost comprises of purchase price and directly attributable expenditure on making the asset ready for its intended use. Any technology support cost or annual maintenance cost for such software is charged to the Statement of Profit and Loss.

Amortization of such intangible assets is provided on SLM which reflect the management's estimate of useful life of such assets:

	Asset category	Useful Life
I	Assets for Own Use	
i)	Intangible Assets	6 years

**c) Intangible Assets under Development**

Project Highways representing Toll Collection Rights are obtained in consideration for construction, operation and maintenance of the project on Design, Build, Operate and Transfer basis. The cost of such Project Highways comprises construction cost including finance costs incurred during the implementation phase. Such Project Highways on completion are capitalized as Intangible Assets and are amortised over the period of rights given under the Concession Agreement as they represent right to collect Toll revenue during the concession period.

- d) Depreciation on tangible assets is provided on Straight Line Method ('SLM'), which reflects the management's estimate of the useful lives of the respective fixed assets. Pursuant to the enactment of the Companies Act 2013, the Group has, effective 1st April 2014, reviewed and revised the useful life of its respective fixed assets and such useful life are equal to the corresponding useful life prescribed in Part C of Schedule II to Companies Act 2013:

	Asset category	Useful Life of the Asset
I	Assets for Own Use	
i)	Computers	3, 6 years
ii)	Furniture & Fixtures	10 years
iii)	Plant & Machinery	15 years
iv)	Office Equipment	5 years



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- e) Fixed Assets costing up to INR 5,000/- are depreciated fully over a period of 12 months from the date of purchase.
- f) Depreciation on assets acquired/sold during the year is recognised in Statement of Profit and Loss on pro-rata basis from/till the date of purchase/sale.

#### 1.5 Impairment of Fixed Assets

Wherever events or changes in circumstances indicate that the carrying amount of fixed assets may be impaired, the Group subjects such assets to a test of recoverability, based on discounted cash flows expected from use or disposal thereof. If the assets are impaired, the Group recognizes an impairment loss as the excess of the carrying amount over the recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying amount after reversal is not increased beyond the carrying amount that would have prevailed by charging usual depreciation if there was no impairment.

#### 1.6 Capital Work in Progress

Capital work in progress is stated at cost and includes development and other expenses including interest during construction period.

#### 1.7 Investments

- a) Investment which are readily realizable and intended to be held 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 investment.
- b) Current Investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term Investments are stated at cost. Provision for diminution in value, is made to recognize a decline other than temporary in the value of the investments.
- c) Cost includes acquisition charges such as brokerage, fee, duties and borrowing costs that are directly attributable to the acquisition of the investment.

#### 1.8 Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing at the time of transaction. Monetary assets and liabilities expressed in foreign currencies are translated into the reporting currency at the exchange rate prevailing at Balance Sheet date. Any income or expense on account of exchange difference either on settlement or on translation at the year end is recognized in the Statement of Profit and Loss.

#### 1.9 Prior Period and Extra Ordinary Items

Prior Period and Extra Ordinary items having material impact on the financial affairs of the Group are disclosed separately.



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#### 1.10 Borrowing Costs

Borrowing costs to the extent attributed to the acquisition/construction of qualifying assets are capitalized up to the date when such assets are ready for its intended use and all other borrowing costs are recognized as an expense in the year in which they are incurred.

#### 1.11 Employee Benefits

##### a) Short term employee benefits

Short term employee benefits based on expected obligation on undiscounted basis are recognised as expense in the Statement of Profit and Loss for the period in which the related service is rendered.

##### b) Defined contribution plan

Group's contribution towards Regional Provident Fund Authority and Employee State Insurance Corporation are charged to the Statement of Profit and Loss.

##### c) Defined benefit plan

Group's liabilities towards gratuity and leave benefits are defined benefit plans. Such liabilities are ascertained by an independent actuary as per the requirement of Accounting Standard – 15 (revised 2005) "Employee Benefits".

All actuarial gains and losses are recognised in Statement of Profit and Loss in the year in which they occur.

#### 1.12 Segment Reporting

The Group is primarily engaged in a single business segment of purchase, own, build, develop, design, Operate, transfer road and related services. All the activities of the Group revolved around the main business. As such there are no separate reportable segments as per Accounting Standard -17 "Segment Reporting".

#### 1.13 Taxes on Income

a) Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.

b) Deferred tax is recognized on timing differences which is the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets subject to the consideration of prudence are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

#### 1.14 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events; it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.



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**1.15 Earnings per Share**

The Group reports basic and diluted earnings per equity share in accordance with Accounting Standard-20, Earnings per Share notified by the Central Government under the Companies (Accounting Standards) Rules, 2006. Basic earnings per equity share have been computed by dividing net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the net profit (loss) after tax for the year by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**1.16 Cash and cash equivalents:**

Cash and cash equivalents include cash on hand, cheques on hand and balance of bank on current accounts.

**1.17 Cash flow statement:**

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for effects of transactions of a non-cash nature, any deferral or accruals of past or future operating cash receipts or payments and item of income or expenses associated with Investing or financing flows. The cash flows from operating, investing and financing activities of the Group are segregated.



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**BHARAT ROAD NETWORK LIMITED**  
Notes to Consolidated Financial Statements

2 Share Capital

Particulars	As at 31st March, 2015	
	Number	Amount (₹)
a) <u>Authorised</u> Equity Shares of ₹ 10 each	10,000,000	100,000,000
		100,000,000
b) <u>Issued, Subscribed &amp; Paid up</u> Equity Shares of ₹ 10 each fully paid up	10,000,000	100,000,000
<b>Total</b>	<b>10,000,000</b>	<b>100,000,000</b>

c) The rights, preferences and restrictions attached to each class of Equity shares are as under:

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

d) The reconciliation of the number of shares outstanding at the beginning and at the end of year has been shown in the table below:

Particulars	As at 31st March, 2015	
	No. of Equity Shares	Amount (₹)
Shares outstanding at the beginning of the year	10,000,000	100,000,000
Shares issued during the year	-	-
Shares outstanding at the end of the year	10,000,000	100,000,000

e) Details of each shareholder holding more than 5% shares :-

Name of Shareholder	As at 31st March, 2015	
	No. of Shares held	% of Holding
Srei Venture Capital Trust A/c-Infrastructure Project Development Capital	9,950,000	99.50%

3 Reserves and Surplus

Particulars	(Amount in ₹)
	As at 31st March, 2015
<b>Surplus/(deficit) in the Statement of Profit and Loss</b>	
Opening Balance	(96,768,060)
Add: Net Profit/(Loss) for the year	(212,422,621)
Closing balance	<b>(309,190,681)</b>
<b>Total Reserves and Surplus</b>	<b>(309,190,681)</b>



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BHARAT ROAD NETWORK LIMITED  
Notes to Consolidated Financial Statements (Contd.)

4 Long-term borrowings

Particulars	(Amount in ₹)
	As at 31st March, 2015
<b>i) Secured</b>	
Term Loan from financial Institutions	941,910,000
<b>ii) Unsecured</b>	
<b>Bond / Debentures (Un-quoted)</b>	
Optionally Convertible Participative Interest bearing Debentures (OCPID)	658,200,000
<b>Others</b>	
Sponsor's Fund	1,204,200,000
<b>Total</b>	<b>2,804,310,000</b>

5 Long-Term Provisions

Particulars	(Amount in ₹)
	As at 31st March, 2015
Provision for Employee Benefits	
-Gratuity	1,226,467
-Leave Encashment	1,033,621
-Sick Leave Avallment	117,290
<b>Total</b>	<b>2,377,378</b>

6 Short-term Borrowings

Particulars	(Amount in ₹)
	As at 31st March, 2015
<b>Secured</b>	
Loan Repayable on Demand - Bank Overdraft	1,110,699,453
<b>Unsecured</b>	
Inter Corporate Deposit from related party	40,000,000
Inter Corporate Deposit from others	1,200,000,000
Term Loan from Body Corporate	515,000,000
<b>Total</b>	<b>2,865,699,453</b>



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**BHARAT ROAD NETWORK LIMITED**  
Notes to Consolidated Financial Statements (Contd.)

**7 Trade Payable**

(Amount in ₹)

Particulars	As at 31st March, 2015
Due to Others	10,238,010
<b>Total</b>	<b>10,238,010</b>

**8 Other Current Liabilities**

(Amount in ₹)

Particulars	As at 31st March, 2015
Interest accrued but not due on borrowings	35,599,337
Interest accrued and due on borrowings	2,451,175
<b>Other Payables:</b>	
Retention money payable	83,746,911
Creditors for capital expenses	389,405,787
Liability for expenses	4,503,833
Salary & other payroll dues	2,146,045
Statutory liability	29,509,227
<b>Total</b>	<b>547,362,315</b>

**9 Short-term Provisions**

(Amount in ₹)

Particulars	As at 31st March, 2015
Provision for Income Tax	507,000
Provision for Employee Benefits	
-Gratuity	7,380
-Leave Encashment	83,480
-Sick Leave Availment	18,070
<b>Total</b>	<b>615,930</b>



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**BHARAT ROAD NETWORK LIMITED**  
Notes to Consolidated Financial Statements (Contd.)

**10 Fixed Assets**

Particulars	Gross Block				Depreciation/Amortisation			Net Block	
	As at 01.04.2014	Additions during the year	Sales/ adjustments during the year	As at 31.03.2015	As at 01.04.2014	For the year	Sales/ adjustments during the year	As at 31.03.2015	As at 31.03.2015
<b>I. Tangible assets:</b>									
Computers	187,264	123,000	-	310,264	69,227	93,018	-	162,245	148,019
Plant & Machinery	1,800	-	-	1,800	1,800	-	-	1,800	-
Furniture & Fixtures	182,397	289,700	-	472,097	41,160	82,438	-	123,598	348,499
Office Equipments	170,220	174,375	-	344,595	13,872	75,469	-	89,341	255,254
<b>(A)</b>	<b>541,681</b>	<b>587,075</b>	<b>-</b>	<b>1,128,756</b>	<b>126,059</b>	<b>250,925</b>	<b>-</b>	<b>376,984</b>	<b>751,772</b>
<b>II. Intangible assets:</b>									
Computer Software	-	62,700	-	62,700	-	3,101	-	3,101	59,599
<b>(B)</b>	<b>-</b>	<b>62,700</b>	<b>-</b>	<b>62,700</b>	<b>-</b>	<b>3,101</b>	<b>-</b>	<b>3,101</b>	<b>59,599</b>
<b>Total Fixed Assets Total = (I + II)</b>	<b>541,681</b>	<b>649,775</b>	<b>-</b>	<b>1,191,456</b>	<b>126,059</b>	<b>254,026</b>	<b>-</b>	<b>380,085</b>	<b>811,371</b>

**Note:**

a) Depreciation for the current year has been aligned to meet the requirement of Schedule II to the Companies Act, 2013. However, the impact of the same is not material.

b) Out of the total depreciation of Rs. 2,54,026 for FY 2014-15, Rs. 2,02,292 has been capitalised under "Intangible assets under development" and the balance of Rs. 51,734/- has been charged to

Profit and Loss for the year.



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11 Intangible Assets under Development

Particulars	(Amount in ₹)
	As at 31st March, 2015
Capital Work In Progress	1,562,722,853
<b>Expenditure During Construction Period</b>	
Salary & Allowances	11,780,393
Finance Charges	50,647,111
Interest on ICD	843,836
Professional Fees	46,821,386
Depreciation	276,979
Statutory Audit Fees	84,270
Rent	365,200
Rates & Taxes	8,700
Bank Charges	6,805,407
Travelling & Conveyance Expenses	1,234,141
Car Hire Charges	963,403
Communication expenses	107,318
Insurance costs	448,316
Printing & Stationery	117,940
Postage & Courier charges	15,309
Electricity Expenses	37,045
Vehicle Running & Maintenance Expenses	525,739
Office Maintenance Expenses	668,489
Miscellaneous Expenses	1,893,474
<b>Sub total</b>	<b>1,686,367,309</b>
Less: Interest Income	49,542,410
Other Income	19,126,054
<b>Total</b>	<b>1,617,698,845</b>

12 Non-Current Investment

Particulars	(Amount In ₹)
	As at 31st March, 2015
<b>Long Term Investment (At cost) Trade, Fully Paid up</b>	
<b>In Bonds and Debentures (Unquoted)<sup>A</sup></b>	
Unsecured Participatory Convertible Debentures	
Investment in associate	24,593,600
<b>In Equity Instruments (Unquoted)</b>	
<b>Investment in associates<sup>A,B,C</sup></b>	
Fully paid equity shares of associate companies	3,787,735,483
Add/(Deduct):	
Accumulated share in profit/(loss) of the associate companies at the beginning of the year	(89,654,845)
Share in profit/(loss)(net) of the associate companies-during the period	(193,402,886)
	3,504,677,752
<b>Investment in Others<sup>A,B</sup></b>	<b>1,515,103</b>
<b>Total</b>	<b>3,530,786,455</b>

<sup>A</sup> Refer Note 23.6

<sup>B</sup> The Company has pledged its Investment in shares aggregating to ₹ 2,482,671,061/- In favour of Security Trustees for loan taken by Subsidiary and Associate Companies. In some cases, the pledge quantities of shares mentioned above includes shares to be pledged.

<sup>C</sup> Investments in associates include goodwill of ₹ 942,706,596.



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BHARAT ROAD NETWORK LIMITED  
Notes to Consolidated Financial Statements (Contd.)

13 Long-term loans and advances  
(Unsecured, considered good)

(Amount in ₹)

Particulars	As at
	31st March, 2015
Other Long-Term Advances	
Advance Income Tax including Tax deducted at Source	19,550,288
Capital Advance	699,857,707
Security Deposit	333,839
WCT Receivable	2,167,274
MAT Credit Entitlement	507,000
<b>Total</b>	<b>722,416,108</b>

14 Trade Receivables  
(Unsecured, considered good)

(Amount in ₹)

Particulars	As at
	31st March, 2015
Debt outstanding for a period exceeding six months from the due date	4,780,192
Other Debts	14,802,517
<b>Total</b>	<b>19,582,709</b>

15 Cash and bank balances

(Amount in ₹)

Particulars	As at
	31st March, 2015
Cash and cash equivalents	
Cash on Hand	57,477
Balances with scheduled banks - In Current Accounts	42,711,452
Investment in Liquid Mutual Fund	156,212
Other bank balances	
Fixed Deposits with Banks (having balance maturity 3 months or less) (held as security deposit with Bank against issue of bank guarantee)	45,359,345
<b>Total</b>	<b>88,284,486</b>

16 Short Term Loans and Advances  
(Unsecured, considered good)

(Amount in ₹)

Particulars	As at
	31st March, 2015
Other Loans and Advances	
Advance to staff	23,150
Advance to Vendor and others	305,000
<b>Total</b>	<b>328,150</b>

17 Other Current Assets  
(Unsecured, considered good)

(Amount in ₹)

Particulars	As at
	31st March, 2015
Interest accrued	25,639,254
Other receivables for reimbursements	657,374
Others	26,618
<b>Total</b>	<b>26,323,246</b>



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BHARAT ROAD NETWORK LIMITED  
Notes to Consolidated Financial Statements (Contd.)

18 Revenue from Operations

(Amount in ₹)

Particulars	Year ended 31st March, 2015
Sale of services:	
Toll operations and maintenance	61,226,658
Project Management Consultancy	23,100,083
<b>Total</b>	<b>84,326,741</b>

19 Operational Expenses

(Amount in ₹)

Particulars	Year ended 31st March, 2015
Toll Operating Expenses	50,020,674
<b>Total</b>	<b>50,020,674</b>

20 Employee benefits expense

(Amount in ₹)

Particulars	Year ended 31st March, 2015
Salaries & Allowances	27,645,948
Contribution to Provident and Other Funds	1,245,886
Staff Welfare Expenses	130,796
<b>Total</b>	<b>29,022,630</b>

21 Finance Costs

(Amount in ₹)

Particulars	Year ended 31st March, 2015
Interest expenses on borrowings	456,838,276
Less: Capitalised to Intangible assets under development	51,490,947
Less: Capitalised to Investments	395,367,388
<b>Total</b>	<b>9,979,941</b>



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**BHARAT ROAD NETWORK LIMITED**  
**Notes to Consolidated Financial Statements (Contd.)**

**22 Other Expenses**

(Amount in ₹)

Particulars	Year ended 31st March, 2015
Legal & Professional Fees	7,903,644
Travelling and Conveyance	4,508,244
Filing Fees	40,200
Rates & Taxes	468,090
Repairs & Maintenance- Others	442,702
Postage, Telegram & Telephone	137,964
Membership & Subscription	59,000
Sales Promotion	27,435
Payment to Auditor :	
-For Audit	184,270
-Other Services	93,488
Printing & Stationery	75,737
Insurance Premlum	13,571
Business Development Expenses	60,410
General Expenses	237,772
<b>Total</b>	<b>14,252,527</b>



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**BHARAT ROAD NETWORK LIMITED**

Notes to Consolidated Financial Statements (Contd.)

**23 Other disclosures (Contd.)**

**23.1** In accordance with Accounting Standard 21 "Consolidated Financial Statements" notified by Central Government under Companies (Accounting Standards) Rules, 2006, the Consolidated Financial Statements of the Group include the financial statements of the Holding Company and its subsidiary. Enterprises over which the Company exercises significant influence are considered for preparation of the Consolidated Financial Statements as per Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial Statements". The subsidiary and associates considered in the preparation of these consolidated financial statements are:-

Name of the Party & Nature of relationship	Country of Origin	% Holding
		As at 31st March, 2015
<b>Subsidiary</b>		
Solapur Tollways Pvt. Ltd. (w.e.f. 3rd August, 2013)	India	98.04%
<b>Associates</b>		
Orissa Steel Expressway Pvt. Ltd. (w.e.f. 9th July, 2012)	India	44.60%
Kurukshetra Expressway Pvt. Ltd. (w.e.f. 28th March, 2013)	India	29.33%
Ghaziabad Aligarh Expressway Pvt. Ltd. (w.e.f. 11th September, 2012)	India	39.00%
Shree Jagannath Expressways Pvt. Ltd. (w.e.f. 28th March, 2013)	India	26.00%
Potli - Pangin Highway Pvt. Ltd. (w.e.f. 5th August, 2013)	India	40.00%
Guruvyoor Infrastructure Pvt Ltd (w.e.f. 30th March, 2015)	India	26.80%

**23.2 Contingent Liabilities and Commitments (to the extent not provided for)**

Particulars	(Amount in ₹)
	As at 31st March, 2015
<b>Contingent Liabilities</b>	
Reimbursement to NHAI for IE remuneration prior to appointed date i.e 3rd June 2014	5,950,930
<b>Commitments</b>	
Estimated amount of contracts remaining to be executed on capital account [Net of Capital Advances Rs. 699,857,707]	5,537,419,440



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23.3 Disclosure pursuant to Accounting Standard (AS) 18 - Related Party Disclosures

(I) Related Parties:

Sl.No	Name of the Party & Nature of relationship	Country of Origin
A	<b>Investor having control</b> Infrastructure Project Development Capital	India
B	<b>Associates</b> Orissa Steel Expressway Pvt. Ltd. (w.e.f. 9th July, 2012) Kurukshetra Expressway Pvt. Ltd. (w.e.f. 28th March, 2013) Ghaziabad Aligarh Expressway Pvt. Ltd. (w.e.f. 11th September, 2012) Shree Jagannath Expressways Pvt. Ltd. (w.e.f. 28th March, 2013) Potin - Pangin Highway Pvt. Ltd. (w.e.f. 5th August, 2013) Guruvyoor Infrastructure Pvt Ltd (w.e.f. 30th March, 2015)	India India India India India India
C	<b>Key Management Personnel (KMP)</b> Asim Tewari (CEO upto 30th June,2015) Alok Nagpal (CFO upto 7th July,2015) Samita Lahiri (Company Secretary upto 31st August,2015) Anurag Kuba (CEO w.e.f. 29th June,2015)	India India India
D	<b>Relatives of KMP</b> Roli Tewari (Wife of Asim Tewari) Sonia Nagpal (Wife of Alok Nagpal)	India India

The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

No amount has been written back / written off during the year in respect of due to / from related parties. The amount due from related parties are good and hence no provision for doubtful debts in respect thereof is required.

(II) Summary of Transactions with Related Parties

(Amount in ₹)

Name of the related party	Nature of Transaction & Outstanding Balances	2014-15
<b>(A) Investor having Control/significant influence :</b>		
Infrastructure Project Development Capital (Control w.e.f. 28 March, 2013)	Purchase of Equity Shares of : - Ghaziabad Aligarh Expressway Pvt. Ltd.	501,862,500



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**BHARAT ROAD NETWORK LIMITED**  
Notes to Consolidated Financial Statements (Contd.)

(II) Summary of Transactions with Related Parties		(Amount in ₹)
Name of the related party	Nature of Transaction & Outstanding Balances	2014-15
<b>(B) Associates :</b>		
Orissa Steel Expressway Pvt. Ltd.	<b>Transactions :</b> Income from Project Management Consultancy	20,000,000
	<b>Balance due:</b> Cost of Investment pledged as collateral for loan taken from bank	241,180,445
	Trade Receivable- Balance (incl service tax)	10,472,000
Kurukshetra Expressway Pvt. Ltd.	<b>Transactions :</b> Unsecured Participatory Convertible Debenture allotted against application money	55,000,000
	Cost of Investment pledged as collateral for loan taken from bank	825,006,054
Ghaziabad Aligarh Expressway Pvt. Ltd.	<b>Balance due:</b> Cost of Investment pledged as collateral for loan taken from bank	640,297,937
Potin - Pangin Highway Pvt. Ltd.	<b>Balance due:</b> Cost of Investment pledged as collateral for loan taken from bank	65,646
Shree Jagannath Expressways Pvt. Ltd.	<b>Balance due:</b> Cost of Investment pledged as collateral for loan taken from bank	135,945,727
Guruvyoor Infrastructure Pvt Ltd	<b>Balance due:</b> Cost of Investment pledged as collateral for loan taken from bank	633,753,917



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**BHARAT ROAD NETWORK LIMITED**  
Notes to Consolidated Financial Statements (Contd.)

(II) Summary of Transactions with Related Parties (continued)

(Amount in ₹)

<b>(C) Key Management Personnel :</b>		
Kamal Verma (Chief Executive Officer upto 30th Nov, 2013)	Salary & Allowances	-
Asim Tewari (w.e.f. 12th Aug, 2013)	Salary & Allowances	6,515,051
Alok Nagpal (w.e.f. 14th Aug, 2013)	Salary & Allowances	7,273,429
Samita Lahiri	Salary & Allowances	1,730,942
<b>(D) Relatives of KMP</b>		
Roli Tewari	Car Hire Charges	300,000
Sonia Nagpal	Car Hire Charges	300,000

**23.4 Earnings per Share**

Particulars	Year Ended 31st March, 2015
<b>Basic and Diluted Earnings per Share</b>	
Net Profit/ (Loss) after tax attributable to Equity Shareholders (in ₹)	(212,422,621)
Weighted average number of Equity Shares Basic (Nos.)	10,000,000
Weighted average number of Potential Equity Shares (Nos.)	-
Weighted average number of Equity Shares Diluted (Nos.)	10,000,000
Nominal Value of Equity per share (₹)	10
Basic Earnings per share (₹)	(21.24)
Diluted Earnings per share (₹)	(21.24)

**23.5 Segment Reporting**

The Group is primarily engaged in a single business segment of own, build, develop, design, operate, transfer road and related services. All the activities of the Company revolve around the main business. As such there are no separate reportable segments as per Accounting Standard -17 "Segment Reporting" notified by the Central Government under the Companies (Accounting Standards) Rules, 2006.

**23.6** The Holding Company is presently engaged in the business of designing, building, operating, maintaining and carrying out all other activities pertaining to road projects. As per the guidelines of respective Government Authority and the requirements of the Concession Agreements, such road projects are required to be implemented under the Built, Operate & Transfer (BOT) model by creating Special Purpose Vehicles (SPVs) so that after the concession period, the SPV can be transferred to the respective authority on an "as is where is basis". The Holding Company has, therefore, invested in various road projects under the aforesaid SPV model.

These investments have been made on a long term basis with an objective to obtain return and capital appreciation after the commencement of commercial operations of the respective Project.

Based on a legal opinion, the Holding Company has treated these investments as "Qualifying Asset". As required by Accounting Standard 16 on 'Borrowings Costs', Accounting Standard 13 on 'Investments' and in accordance with the accounting concept of 'Matching costs and revenues', the Holding Company has capitalised borrowing cost incurred on funds borrowed exclusively for investments in SPVs as part of the cost of investments.

Accordingly, non current investments includes borrowing cost of ₹ 7,32,103,913/- including ₹ 321,288,879/- for the year incurred on loan borrowed for acquisition of these investments.



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**BHARAT ROAD NETWORK LIMITED**

**Notes to Consolidated Financial Statements (Contd.)**

- 23.7(a) The Holding Company has invested in 45,270,000 Equity shares of Guruvyoor Infrastructure Pvt. Ltd. on 30.03.2015 (being the date of acquisition of shares), which are in the process of transfer in the name of the Holding Company. However, Guruvyoor Infrastructure Pvt. Ltd. has been considered as an associate with effect from 30.03.2015 in this Consolidated Financial Statements.
- (b) During the year the Holding Company has invested in 22,305,000 Equity shares of Ghaziabad Aligarh Expressway Pvt. Ltd. on 31.03.2015 (being the date of acquisition of shares) which are in the process of transfer in the name of the Holding Company. However, such investment has been considered in this Consolidated Financial Statements.
- (c) The differences in accounting policies of Ghaziabad Aligarh Expressway Pvt. Ltd. and Kurukshetra Expressway Pvt. Ltd. are not material in the context of consolidation of the said associates in these consolidated financial statements.
- 23.8 This is the first consolidated financial statement of the Group, hence comparative figures for previous year have not been disclosed in pursuant to the requirement of "Accounting Standard (AS) 21 - Consolidated Financial Statements".



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BHARAT ROAD NETWORK LIMITED  
Notes to Consolidated Financial Statements (Contd.)

24 Additional Information as per Schedule III of the Companies Act, 2013

(Amount in ₹)

Name of the entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss (Profit after tax)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
<b>Parent</b>				
1 Bharat Road Network Limited	1635.07%	(3,420,422,526)	8.77%	(18,624,128)
<b>Subsidiaries</b>				
<b>Indian:</b>				
1 Solapur Tollways Pvt. Ltd. (w.e.f. 3rd August, 2013)	4.97%	(10,388,178)	0.19%	(395,607)
<b>Minority Interests in subsidiaries</b>				
	0.00%	-	0.00%	-
<b>Associates (Investment as per equity method)</b>				
<b>Indian:</b>				
1 Orissa Steel Expressway Pvt. Ltd.	-235.05%	491711021.9	0.12%	(248,404)
2 Kurukshetra Expressway Pvt. Ltd.	-124.24%	259901920	90.81%	(192,897,222)
3 Ghaziabad Aligarh Expressway Pvt. Ltd.	-600.13%	1255411479	0.00%	-
4 Shree Jagannath Expressways Pvt. Ltd.	-255.89%	535297751	0.00%	-
5 Potin - Pangin Highway Pvt. Ltd. (w.e.f. 2nd December, 2013)	-0.10%	216614.06	0.01%	(14,280)
6 Guruvyoor Infrastructure Pvt Ltd (w.e.f. 30th March, 2015)	-324.62%	679081234.6	0.11%	(242,980)
<b>TOTAL</b>	<b>100.00%</b>	<b>(209,190,683)</b>	<b>100.00%</b>	<b>(212,422,621)</b>

Note: Figures are after elimination of related party transactions between entities considered for consolidation.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm Registration No.302082E

(CA Ajay Agrawal)  
Partner  
Membership No.17643



On behalf of the Board of Directors

Bajrang K Choudhary  
Director  
DIN : 00441872

Brahm Dutt  
Chairman  
DIN : 05308908

Place : Kolkata  
Date : 25th day of September, 2015

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures  
Part "A": Subsidiaries

Name of Company	Solapur Tollways Pvt. Ltd. (w.e.f. 3rd August, 2013)
Reporting Year	March 31, 2015
Reporting Currency	INR
Share Capital	5,000,000
Reserves & Surplus	(15,674,642)
Total Assets	2,432,764,546
Total Liabilities	2,432,764,546
Investments	-
Turnover	-
Profit/(Loss) before Tax	(395,607)
Provision for Taxation	-
Profit/(Loss) after Tax	(395,607)
Proposed Dividend	-
% of shareholding (effective)	98.04%

Notes:

- Names of subsidiaries which are yet to commence operations: Solapur Tollways Pvt. Ltd.
- Names of subsidiaries which have been liquidated or sold during the year: None

Part "B": Associates and Joint Ventures

Name of Associate	Ghaziabad Allgarh Expressway Private Limited	Kurukshehra Expressway Private Limited	Orissa Steel Expressway Private Limited	PotIn PangIn Highway Private Limited	Shree Jagannath Expressways Private Limited	Guruvayoor Infrastructure Private Limited
Relationship	Associate	Associate	Associate	Associate	Associate	Associate
1 Latest audited Balance Sheet date	Mar 31, 2015	Mar 31, 2015	Mar 31, 2015	Mar 31, 2015	Mar 31, 2015	Mar 31, 2015
2 Share of Associate held by the company on the year end						
No.	75655000	30581950	34949667	20000	38452400	45270000
Amount of Investment in Associates	1,255,411,479	825,006,054	492,207,830	245,175	535,297,751	679,567,194
Extent of Holding %	39.00%	29.33%	44.60%	40.00%	26.00%	26.80%
3 Description of how there is significant influence	Control of 38.99% of Total Share Capital	Control of 29.33% of Total Share Capital	Control of 44.60% of Total Share Capital	Control of 40.00% of Total Share Capital	Control of 26.00% of Total Share Capital	Control of 26.80% of Total Share Capital
4 Reason why the associate is not consolidated	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
5 Networth attributable to Shareholding as per latest audited Balance Sheet	75655000	295717582.8	349020277.4	168012.8	384524000	233816499.5
6 Profit / (Loss) for the year						
i. Considered in Consolidation	N.A.	(192,897,222)	(248,404)	(14,280)	N.A.	(242,980)
ii. Not Considered in Consolidation	N.A.	-	-	-	N.A.	-

- Names of associates or joint ventures which are yet to commence operations: None
- Names of associates or joint ventures which have been liquidated or sold during the year: None

On behalf of the Board of Directors



Bajrang K Choudhary  
Director  
DIN : 00441872

Brahm Dutt  
Chairman  
DIN : 05308908

Place : Kolkata  
Date : 25th September, 2015



