

Bharat Road Network Limited

Standalone Financials for the Financial Year 2015-16

Corporate Identity Number (CIN): U45203WB2006PLC112235

Registered Office: Mirania Gardens, 10B Topsia Road (South), Kolkata – 700046

Independent Auditors' Report

To the Members of
Bharat Road Network Limited

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of Bharat Road Network Limited ("The Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement and a summary of significant accounting policies and other explanatory information for the year then ended.

Management responsibility for the standalone financial statement

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 standalone 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 standalone financial statements are free from material misstatement.

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



Independent Auditors' Report (Contd.)

To the Members of
Bharat Road Network Limited

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 25.8 to the standalone financial statements regarding investments 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 the 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, 2016 ("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", 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 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 at 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - VI. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - VII. 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:




Independent Auditors' Report (Contd.)

To the Members of
Bharat Road Network Limited

- a. The Company has disclosed the impact of pending litigations on the financial position of its standalone financial statements – Refer Note No. 25.3 to the standalone financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts required to be transferred to Investor Education and Protection Fund by the Company.

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


(CA. Ajay Agrawal)
Membership No. 17643
Partner

Place of Signature: Kolkata
Dated: the 19th day of September , 2016



Independent Auditors' Report (Contd.)

To the Members of
Bharat Road Network Limited

"Annexure A" to the Auditor's Report

Statement referred to in our report of even date to the members of Bharat Road Network Limited on the standalone financial statements for the year ended 31st March, 2016.

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of 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 discrepancies were noticed on such verification.
- c) As the Company has no immovable property, provisions of clause (i)(c) of para 3 of the said order is not applicable to the Company.
- (ii) As the Company has no inventory, provisions of clause (ii) of para 3 of the said order is not applicable to the Company.
- (iii) The Company has granted loans to two bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act')
 - a) In our opinion, the rate of interest and other terms and conditions on which the loan has been granted to the aforesaid bodies corporate were not, prima facie, prejudicial to the interest of the Company.
 - b) The aforesaid bodies corporate have been regular in payment of the principal and interest as stipulated.
 - c) There are no overdue amounts in respect of the loan granted to these bodies corporate.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not undertaken any transaction in respect of loans, guarantees and securities covered under Section 185 of the Act. The Company has complied with Section 186(1) of the Act in relation to investments made by the Company. The remaining provisions related to Section 186 of the Act do not apply to the Company.
- (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.



Independent Auditors' Report (Contd.)

To the Members of
Bharat Road Network Limited

"Annexure A" to the Auditor's Report (Contd.)

- (vi) The provisions regarding maintenance of the cost records under Section 148(1) of the Companies Act 2013 are not applicable to the Company.
- (vii) a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Duty of Customs, Duty of Excise, Value Added tax or cess and any other statutory dues, to the extent applicable, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues, as on 31st of March, 2016 for a period of more than six months from the date they became payable.
- b) The disputed statutory dues aggregating to Rs. 23,10,000/- that have not been deposited on account of matters pending before appropriate authorities are as under:

Sl. No.	Name of the Statute	Nature of dues	Period to which pertains	Amount (`)	Forum where the dispute is pending
1	Income Tax Act, 1961	Income Tax	2012-13	23,10,000	CIT(Appeals)

- (viii) The Company has not defaulted in repayment of loans or borrowings to financial institutions or banks. The Company has not taken any loan from Government and has not issued any debentures.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. On the basis of our examination and according to the information and explanations given to us, money raised by way of term loans have been applied for the purpose for which the loans were obtained.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year that causes the standalone financial statements materially misstated.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.




Independent Auditors' Report (Contd.)

To the Members of
Bharat Road Network Limited

"Annexure A" to the Auditor's Report (Contd.)

- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) On the basis of our examination of records and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause (xiv) of paragraph 3 of the said order is not applicable to the Company.
- (xv) On the basis of our examination of records and according to the information and explanations given to us, the Company has not has entered into any non-cash transactions with directors or persons connected with them during the year under the provisions of section 192 of the Act. Therefore, clause (xv) of paragraph 3 of the said order is not applicable to the Company
- (xvi) On the basis of our examination of records and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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


(CA. Ajay Agrawal)
Membership No. 17643
Partner

Place of Signature: Kolkata
Dated: the 19th day of September, 2016



Independent Auditors' Report (Contd.)

To the Members of
Bharat Road Network Limited

“Annexure B” to the Independent Auditor’s Report of Even Date on the Standalone Financial Statements of Bharat Road Network Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Bharat Road Network Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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



Independent Auditors' Report (Contd.)

To the Members of
Bharat Road Network Limited

“Annexure B” to the Independent Auditor’s Report (Contd.)

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For G. P. Agrawal & Co.

Chartered Accountants

Firm Registration No. -302082E


(CA. Ajay Agrawal)

Membership No. 17643

Partner

Place of Signature: Kolkata

Dated: the 19th day of September , 2016



BHARAT ROAD NETWORK LIMITED

Balance Sheet as at 31st March, 2016

	Note	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share Capital	2	10,00,00,000	10,00,00,000
(b) Reserves and Surplus	3	(26,89,027)	(54,08,576)
Non-Current Liabilities			
(a) Long-Term Borrowings	4	5,02,46,10,254	94,19,10,000
(b) Long-Term Provisions	5	15,91,600	20,71,650
Current Liabilities			
(a) Short-Term Borrowing	6	10,25,00,000	2,82,56,99,453
(b) Trade Payable			
- Due to Micro and Small Enterprises	7.1		
- Due to Others	7.2	41,61,537	1,02,38,010
(c) Other Current Liabilities	8	4,08,92,080	4,75,72,856
(d) Short-Term Provisions	9	1,36,530	1,08,930
		<u>5,27,12,02,974</u>	<u>3,92,21,92,323</u>
ASSETS			
Non- Current Assets			
(a) Fixed Assets			
- Tangible Assets	10	1,48,682	29,549
- Intangible Assets	10	49,382	59,599
(b) Non-Current Investments	11	4,31,23,28,424	3,81,87,46,186
(c) Deferred Tax Assets (Net)	12	-	-
(d) Long-Term Loans and Advances	13	68,40,91,553	1,16,62,340
(e) Other Non-Current Assets	14	30,69,682	-
Current Assets			
(a) Trade Receivables	15	8,43,44,977	6,05,26,709
(b) Cash and Cash Equivalents	16	3,32,060	62,72,065
(c) Short-Term Loans and Advances	17	10,86,07,940	3,28,150
(d) Other Current Assets	18	7,82,30,274	2,45,67,725
		<u>5,27,12,02,974</u>	<u>3,92,21,92,323</u>
Significant Accounting Policies	1		
Other Disclosures	25		

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

On behalf of the Board of Directors

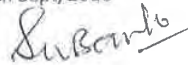

(CA Ajay Agrawal)
Partner
Membership No.17643
Place : Kolkata
Date: 19th Sept, 2016




Bajrang K Choudhary
Director
DIN : 00441872
Place : New Delhi
Date : 19th Sept, 2016


Brahm Dutt
Chairman
DIN : 05308908
Place : New Delhi
Date : 19th Sept, 2016




Sanjay Banka
CFO & Company Secretary
Place : New Delhi
Date : 19th Sept, 2016

BHARAT ROAD NETWORK LIMITED

Statement of Profit and Loss for the year ended 31st March, 2016

	Note	Year ended 31st March, 2016 (Amount in ₹)	Year ended 31st March, 2015 (Amount in ₹)
I INCOME			
Revenue from Operations	19	3,84,19,866	10,43,26,741
Other Income	20	3,50,25,200	3,28,767
Total Revenue		7,34,45,066	10,46,55,508
II EXPENSES			
Operational Expenses	21		5,00,20,674
Employee Benefits Expense	22	2,90,71,846	2,90,22,630
Finance Costs	23	3,47,99,535	99,79,941
Depreciation and Amortisation Expense	10	47,284	51,734
Other Expenses	24	67,98,318	1,38,56,920
Total Expenses		7,07,16,983	10,29,31,899
III Profit Before Tax (I-II)		27,28,083	17,23,609
IV Tax Expense			
Current Tax		5,25,000	3,30,000
Less: MAT Credit Entitlement		5,25,000	3,30,000
Net Current Tax			
Income Tax in respect of Earlier Years		8,534	18,970
V Profit After Tax for the year (III - IV)		27,19,549	17,04,639
VI Earnings per Equity share (in ₹) (Face Value ₹ 10/-) :			
	25.4		
a) Basic		0.27	0.17
b) Diluted		0.27	0.17
Significant Accounting Policies	1		
Other Disclosures	25		

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
Place : Kolkata
Date: 19th Sept, 2016



On behalf of Board of Directors


Bajrang K Choudhary
Director
DIN : 00441872
Place : New Delhi
Date: 19th Sept, 2016


Brahm Dutt
Chairman
DIN : 05308908
Place : New Delhi
Date: 19th Sept, 2016


Sanjay Banka
CFO & Company Secretary
Place : New Delhi
Date: 19th Sept, 2016

BHARAT ROAD NETWORK LIMITED
Cash Flow Statement for the year ended 31st March, 2016

Particulars	Year Ended	Year Ended
	31st March, 2016	31st March, 2015
	(₹)	(₹)
A. Cash Flow from Operating Activities		
Net Profit Before Tax	27,28,083	17,23,609
Adjustments for:		
Depreciation	47,284	51,734
Finance Costs	3,47,99,535	99,79,941
Liability no longer required written back	(4,205)	-
Interest Income	(3,50,20,995)	(3,28,767)
Operating Profit before Working Capital Changes	25,49,702	1,14,26,517
Increase/(Decrease) in Long Term Provisions	(4,80,050)	10,79,400
Increase/(Decrease) in Trade Payables	(60,72,268)	(70,94,159)
Increase/(Decrease) in Other Current Liabilities	(31,46,300)	(1,73,59,855)
Increase/(Decrease) in Short Term Provisions	27,600	64,110
Decrease/(Increase) in Trade Receivables	(2,38,18,268)	(1,37,04,643)
Decrease/(Increase) in Long Term Loans & Advances	-	(3,30,000)
Decrease/(Increase) in Short Term Loans & Advances	1,31,174	(2,16,150)
Decrease/(Increase) in Other Current Assets	(22,98,299)	67,66,015
Cash generated from Operating activities	(3,31,06,709)	(1,93,68,765)
Advance Income Tax (Net of refund)	(1,12,47,747)	(51,84,956)
Net Cash from Operating Activities	(4,43,54,456)	(2,45,53,721)
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets (including Intangible Assets)	(1,56,200)	(62,700)
Inter Corporate Deposits given	(10,84,10,964)	-
Increase in Investments	(2,71,81,000)	(1,18,09,12,500)
Sale of Investments	-	2,19,13,54,500
Advance against Warrant/OCPID	(66,11,90,000)	-
Interest received	2,49,97,431	3,28,767
Net Cash from Investing activities	(77,19,40,733)	1,01,07,08,067
C. Cash Flow from Financing Activities		
Repayment of long term borrowings	(39,63,68,883)	(2,74,39,40,000)
Proceeds from long term borrowings	4,47,90,69,137	-
Proceeds from/(Repayment of) short term borrowings (net)	(2,72,31,99,453)	2,16,74,99,453
Interest paid	(54,91,45,617)	(40,41,30,330)
Net Cash Flow from Financing Activities	81,03,55,184	(98,05,70,877)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(59,40,005)	55,83,469
Opening Cash and Cash Equivalents	62,72,065	6,88,596
Closing Cash and Cash Equivalents	3,32,060	62,72,065

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 is exclusive of interest capitalised ₹ 46,64,01,238/- (31st March 2015: ₹ 39,53,67,388/-). Further, Interest paid is inclusive of and unallocated borrowing costs shown under Other Non-Current Asset is exclusive of ₹ 3,069,682/- (31st March 2015: Nil). Similarly, interest of ₹ 4,13,40,686/- (31st March 2015: Nil) earned on advances and adjusted with borrowing costs, has been included in interest received to the extent realised during the year
- During the year, Share/debenture application money given aggregating to ₹ Nil (31st March 2015: ₹ 5,50,00,000) have been converted into investments in Equity Shares/debenture.
- Cash and cash equivalents do not include any amount which is not available to the Company for its use.
- Cash and cash equivalents as at the Balance Sheet date consists of:

	As at	As at
	31st March, 2016	31st March, 2015
	(₹)	(₹)
Balance with banks on current accounts	3,32,060	62,72,065
	3,32,060	62,72,065

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: 19th Sept, 2016



On behalf of the Board of Directors

Bajrang K Choudhary
Director
DIN : 00441872
Place : New Delhi
Date: 19th Sept, 2016

Brahm Dutt
Chairman
DIN : 05308908
Place : New Delhi
Date: 19th Sept, 2016

Sanjay Banka
CFO & Company Secretary
Place : New Delhi
Date: 19th Sept, 2016

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 to the extent applicable.
- 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

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

Interest income is recognized on time proportion basis, taking into account the amount outstanding and the rate applicable.

1.3 Fixed Assets and Depreciation / Amortization

- a) Fixed Assets are stated at Cost less accumulated depreciation and impairment losses, if any. 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') over the useful lives of the respective fixed assets as specified 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)	Office Equipment	5 years



Bharat Road Network Limited

Significant Accounting Policies (Contd.)

- d) 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.
- e) 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

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

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.

1.6 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.

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.



Significant Accounting Policies (Contd.)

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

Tax expense comprises of current tax [(net of Minimum Alternate Tax (MAT) credit entitlement)] and deferred tax.

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.

Deferred tax reflects the impact of timing differences between taxable income and accounting income for the current reporting year and reversal of timing differences of earlier reporting years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and these relate to the taxes on income levied by the same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. 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.

At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.



Significant Accounting Policies (Contd.)

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the reporting year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by The Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

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.

1.15 Cash Flow Statement

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

1.16 Cash and cash equivalents

Cash and cash equivalents include cash on hand, cheques on hand, balance with banks on current accounts and short term highly liquid investments with an original maturity of three months or less which carry insignificant risk of changes in value.



2 Share Capital

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number	Amount (₹)	Number	Amount (₹)
a) Authorised Equity Shares of ₹ 10 each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
		10,00,00,000		10,00,00,000
b) Issued, Subscribed & Paid up Equity Shares of ₹ 10 each fully paid up	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Total	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000

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. Dividend when declared is payable 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, 2016		As at 31st March, 2015	
	No. of Equity Shares	Amount (₹)	No. of Equity Shares	Amount (₹)
Shares outstanding at the beginning of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000

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

Name of Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Srei Venture Capital Trust A/c-Infrastructure Project Development Capital	99,50,000	99.50%	99,50,000	99.50%

3 Reserves and Surplus

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Surplus/(deficit) in the Statement of Profit and Loss		
Opening Balance	(54,08,576)	(71,13,215)
Add: Net Profit for the year	27,19,549	17,04,639
Total	(26,89,027)	(54,08,576)



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

4 Long-Term Borrowings

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
i) Secured Term Loan from financial Institution	5,02,46,10,254	94,19,10,000
Total	5,02,46,10,254	94,19,10,000

Repayment Schedule as at 31st March, 2016

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Years	
Secured Term Loan					
Term Loan 1					
Term Loan 2		22,68,00,000	11,34,00,000		34,02,00,000
Term Loan 3	39,09,40,000	19,54,70,000			58,64,10,000
Term Loan 4		37,33,33,333	18,66,66,667		56,00,00,000
Term Loan 5	1,49,88,49,254				1,49,88,49,254
Term Loan 6	1,50,00,00,000				1,50,00,00,000
Term Loan 7	53,91,51,000				53,91,51,000
	3,92,89,40,254	79,56,03,333	30,00,66,667		5,02,46,10,254

Repayment Schedule as at 31st March, 2015

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Years	
Secured Term Loan					
Term Loan 1	3,33,333	6,66,667			10,00,000
Term Loan 2	24,08,33,333	48,16,66,667			72,25,00,000
Term Loan 3	21,84,10,000				21,84,10,000
	45,95,76,666	48,23,33,334			94,19,10,000

Nature of security for Secured borrowing:

Rupee term loan 1 is 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 quarterly, compounding on monthly rest @14% per annum. It has been repaid in full during the current reporting year.

Rupee term loans 2,3 & 5 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 quarterly, compounding on monthly rest @ SBR-4% per annum.

Rupee term loans 4 is to be 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 quarterly, compounding on monthly rest @ SBR-4% per annum.

Rupee term loans 6 & 7 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 Capital (IPDC) and demand promissory note covering the principal and interest repayment. Interest is payable quarterly, compounding on monthly rest @ SBR-4% per annum.



5 Long-Term Provisions

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Provision for Employee Benefits		
-Gratuity	7,15,110	11,38,180
-Leave Encashment	7,86,810	8,16,180
-Sick Leave Availment	89,680	1,17,290
Total	15,91,600	20,71,650

6 Short-Term Borrowings

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Secured		
Loan Repayable on Demand - Bank Overdraft	-	1,11,06,99,453
Unsecured		
Inter Corporate Deposit (ICD) from others (refer note (i) below)	10,25,00,000	1,20,00,00,000
Term Loan from bodies corporate (refer note (ii) below)	-	51,50,00,000
Total	10,25,00,000	2,82,56,99,453

Terms of repayment of Secured Short-term borrowings:

Bank Overdraft of ₹ Nil (As at 31st March 2015: ₹ 1,11,06,99,453) was to be secured by First Pari Passu Charge on Current Assets of the Company and repayable on demand. Interest was payable monthly @ base rate + 1.35% per annum. It has been repaid in full during the current reporting year.

Terms of repayment of Unsecured Short-term borrowings:

(i) Principal ICD amount of ₹ 10,25,00,000 (As at 31st March 2015 : ₹ Nil) repayable as bullet payment at the end of one year. Interest is payable on maturity @ 9% per annum.

Principal ICD amount of ₹ Nil (As at 31st March 2015 : ₹ 95,00,00,000) was repayable on demand. Interest was payable annually @ 9% per annum. It has been repaid in full during the current reporting year.

Principal ICD amount of ₹ Nil (As at 31st March 2015 : ₹ 25,00,00,000) was repayable as bullet payment at the end of one year from the initial drawdown date. Interest was payable on maturity @ 12% per annum. It has been repaid in full during the current reporting year.

(ii) Principal loan amount of ₹ Nil (As at 31st March 2015 : ₹ 51,50,00,000) was repayable as bullet payment at the end of one year from the initial drawdown date. Interest is payable monthly @ 10.5% per annum. It has been repaid in full during the current reporting year.



Trade Payable

7.1 Due to Micro and Small Enterprises

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
a) The principal amount and interest due thereon remaining unpaid to any supplier		
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day.		
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006		
d) The amount of interest accrued and remaining unpaid		
e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006		
Total		

7.2 Due to Others

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
For services	41,61,537	1,02,38,010
Total	41,61,537	1,02,38,010

8 Other Current Liabilities

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Interest accrued but not due on borrowings	3,45,16,036	3,55,99,337
Interest accrued and due on borrowings	-	24,51,175
Other Payables:		
Book Overdraft	1,94,245	-
Liability for expenses	3,94,800	4,04,724
Salary & other payroll dues	9,01,160	15,80,229
Service Tax payable	26,19,400	37,66,186
TDS Payable	20,26,865	36,16,105
Provident Fund Payable	2,39,574	1,54,900
Professional Tax Payable	-	200
Total	4,08,92,080	4,75,72,856

9 Short-Term Provisions

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Provision for Employee Benefits		
-Gratuity	3,780	7,380
-Leave Encashment	1,18,580	83,480
-Sick Leave Availment	14,170	18,070
Total	1,36,530	1,08,930



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

10 Fixed Assets

(Amount in ₹)

Particulars	Gross Block			Depreciation/Amortisation			Net Block		
	As at 01.04.2015	Additions during the year	Sales/ adjustments during the year	As at 31.03.2016	As at 01.04.2015	For the year	Sales/ adjustments during the year	As at 31.03.2016	As at 31.03.2015
Tangible Assets									
Computers	1,29,554	1,14,200	27,552	2,16,202	1,00,005	35,283	27,552	1,07,736	29,549
Office Equipments	-	42,000	-	42,000	-	1,784	-	1,784	40,216
Total	1,29,554	1,56,200	27,552	2,58,202	1,00,005	37,067	27,552	1,09,520	29,549
Intangible Assets									
Computer Software	62,700	-	-	62,700	3,101	10,217	-	13,318	49,382
Total	62,700	-	-	62,700	3,101	10,217	-	13,318	59,599
Grand Total	1,92,254	1,56,200	27,552	3,20,902	1,03,106	47,284	27,552	1,22,838	89,148

(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 31.03.2014
Tangible Assets									
Computers	1,29,554	-	-	1,29,554	51,372	48,633	-	1,00,005	78,182
Total	1,29,554	-	-	1,29,554	51,372	48,633	-	1,00,005	78,182
Intangible Assets									
Computer Software	-	62,700	-	62,700	-	3,101	-	3,101	-
Total	-	62,700	-	62,700	-	3,101	-	3,101	-
Grand Total	1,29,554	62,700	-	1,92,254	51,372	51,734	-	1,03,106	78,182

Depreciation for the financial year 2014-15 was aligned to meet the requirement of Schedule II to the Companies Act, 2013 and accordingly an amount of Rs.16,245/- in relation to the assets whose useful life have already exhausted was charged to the Statement of Profit and Loss.



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

11 Non-Current Investments

Particulars	Face Value	As at 31st March, 2016		As at 31st March, 2015	
		Nos.	Total Cost (₹)	Nos.	Total Cost (₹)
Long Term Investment (At cost) Trade, Fully Paid up					
I. In Equity Instruments (Unquoted) ^A					
(a) In Subsidiary					
Solapur Tollways Pvt. Ltd. [Pledged with Lender 2,52,501 Equity Shares (P.Y. 4,90,200 Equity Shares)] ^B	10	4,90,200	72,00,888	4,90,200	19,72,07,411
(b) In Associate					
Orissa Steel Expressway Pvt. Ltd. [Pledged with Lender 1,71,25,238 Equity Shares (P.Y. 1,71,25,238 Equity Shares)] ^B	10	3,49,49,667	55,23,13,880	3,49,49,667	37,90,03,155
Kurukshetra Expressway Pvt. Ltd. [Pledged with Lender 1,69,11,420 Equity Shares (P.Y. 3,05,81,950 Equity Shares)] ^B	10	3,05,81,950	92,57,72,293	3,05,81,950	1,59,54,21,178
Ghaziabad Aligarh Expressway Pvt. Ltd. [Pledged with Lender 3,85,86,600 Equity Shares (P.Y. 3,85,86,600 Equity Shares)] ^B	10	7,56,55,000	1,40,87,47,438	7,56,55,000	33,82,87,737
Shree Jagannath Expressways Pvt. Ltd. [Pledged with Lender 3,01,65,480 Equity Shares (P.Y. 97,65,480 Equity Shares)] ^B	10	3,84,52,400	60,06,79,018	3,84,52,400	64,55,075
Potin Pangin Highways Pvt. Ltd. [Pledged with Lender 5,355 Equity Shares (P.Y. 5,355 Equity Shares)] ^B	10	20,000	2,75,121	20,000	61,95,63,192
Guruvyoor Infrastructure Pvt Ltd. [Pledged with Lender 4,22,18,106 Equity Shares (P.Y. 4,22,18,106 Equity Shares)] ^B	10	4,52,70,000	76,25,69,531	4,52,70,000	3,70,41,53,539
			4,25,75,58,169		
II. In Unsecured Participatory Optionally Convertible Debenture (Unquoted) ^C					
(a) In Associate ^A					
Potin Pangin Highways Pvt. Ltd.	10	19,85,500	2,75,89,255	19,85,500	2,49,31,603
(b) In Others					
Mahakaleshwar Tollways Pvt. Ltd.	10	27,18,100	2,71,81,000		
			5,47,70,255		
Aggregate amount of Unquoted Investments (Hft)			4,31,23,28,424		3,81,87,45,186

^A Refer Note 25.8

^B The Company has pledged its investment in shares aggregating to ₹ 2,68,72,50,388/- (As at 31st March 2015: ₹ 2,48,26,71,061/-) in favour of Security Trustees for loan taken by respective Subsidiary and Associate Company.

^C 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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12 Deferred Tax Assets (Net)

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Components of Deferred Tax Liability :		
Depreciation	29,528	10,116
Less : Deferred Tax Assets recognised to the extent of liability (Refer note 25.5)	(29,528)	(10,116)
Total		

13 Long-Term Loans and Advances

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
(Unsecured, considered good)		
Advance against Warrant/OCPIID to related parties (Refer note 25.2)	66,11,90,000	-
Other Advances :		
Advance Income Tax including Tax deducted at Source (Net of Provision for Income Tax ₹ 10,32,000/- (Previous Year ₹ 5,07,000/-))	2,18,69,553	1,11,55,340
MAT Credit Entitlement	10,32,000	5,07,000
Total	68,40,91,553	1,16,62,340

14 Other Non-Current Assets

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
(Unsecured, considered good)		
Unallocated borrowing cost	30,69,682	-
Total	30,69,682	-

15 Trade Receivables

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
(Unsecured, considered good)		
Debt outstanding for a period exceeding six months from the due date	4,41,96,217	2,52,52,192
Other Debts	4,01,48,760	3,52,74,517
Total	8,43,44,977	6,05,26,709

16 Cash and Cash Equivalents

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
(Unsecured, considered good)		
Cash and Cash Equivalents		
Balances with scheduled banks - In Current Accounts	3,32,060	62,72,065
Total	3,32,060	62,72,065

17 Short Term Loans and Advances

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
(Unsecured, considered good)		
ICD given to related parties (Refer note 25.2)	10,84,10,964	-
Other Advances :		
Prepaid Expenses	1,40,576	-
Advances to staff	3,150	23,150
Advance to Vendor and others	53,250	3,05,000
Total	10,86,07,940	3,28,150

18 Other Current Assets

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
(Unsecured, considered good)		
Interest accrued and due on loans to others	2,45,41,107	2,45,41,107
Interest accrued but not due on loans to related parties (Refer note 25.2)	5,13,64,250	-
Other receivables	23,24,917	26,618
Total	7,82,30,274	2,45,67,725



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

19 Revenue from Operations

(Amount in ₹)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Sale of services:		
Toll operations and maintenance	-	6,12,26,658
Project Management Consultancy	3,84,19,866	4,31,00,083
Total	3,84,19,866	10,43,26,741

20 Other Income

(Amount in ₹)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Interest income	7,63,61,681	
Less: Adjusted with corresponding Interest expenses	4,13,40,686	3,50,20,995
Liability no longer required written back	4,205	-
Total	3,50,25,200	3,28,767

21 Operational Expenses

(Amount in ₹)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Toll Operating Expenses	-	5,00,20,674
Total	-	5,00,20,674

22 Employee Benefits Expense

(Amount in ₹)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Salaries & Allowances	2,77,89,350	2,76,45,948
Contribution to Provident and Other Funds	11,86,629	12,45,886
Staff Welfare Expenses	95,867	1,30,796
Total	2,90,71,846	2,90,22,630

23 Finance Costs

(Amount in ₹)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Interest expenses on borrowings	50,42,70,455	40,53,47,329
Less: Capitalised to Investments (Refer note 25.8)	46,94,70,920	39,53,67,388
Total	3,47,99,535	99,79,941



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24 Other Expenses

(Amount in ₹)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Legal & Professional Fees	16,55,006	78,87,717
Travelling and Conveyance	34,79,311	45,08,244
Rates & Taxes	1,85,577	4,83,290
Repairs & Maintenance- Others	4,48,085	4,42,702
Postage, Telegram & Telephone	1,15,862	1,37,964
Demat charges	2,67,838	-
Sales Promotion	90,241	27,435
Insurance Premium	33,098	13,571
Payment to Auditor :		
-For Audit	2,00,250	1,00,000
-Other Services	76,143	93,488
Director's Sitting Fees	1,05,000	-
Printing & Stationery	67,306	75,737
General Expenses	74,601	86,772
Total	67,98,318	1,38,56,920



25 Other Disclosures

25.1 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 ₹ 11,08,140/- (31st March, 2015: ₹ 11,45,748/-) 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, 2016	Year ended 31st March, 2015	Year ended 31st March, 2016	Year ended 31st March, 2015
I	Change in Defined Benefit Obligations (DBO) during the year				
	Present Value of DBO at beginning of the year	11,45,560	4,52,480	8,99,660	4,88,660
	Current Service Cost	2,05,340	5,22,410	4,29,510	4,72,950
	Interest cost	89,350	41,850	49,660	36,950
	Curtailement cost / (credit)	-	-	-	-
	Settlement cost / (credit)	-	-	-	-
	Plan amendments	-	-	-	-
	Acquisitions	-	-	-	-
	Actuarial Losses / (Gains)	(7,21,360)	1,28,820	52,590	79,600
	Benefits Paid	-	-	(5,26,030)	(1,78,500)
	Employee contribution	-	-	-	-
	Other Adjustments	-	-	-	-
	Present Value of DBO at the end of the year	7,18,890	11,45,560	9,05,390	8,99,660
II	Net assets / (liability) recognised in Balance Sheet				
	Present value of Defined Benefit Obligation	7,18,890	11,45,560	9,05,390	8,99,660
	Fair value of plan assets	-	-	-	-
	Funded status [Surplus/(Deficit)]	(7,18,890)	(11,45,560)	(9,05,390)	(8,99,660)
	Unrecognized past service cost	-	-	-	-
	Net asset/ (liability) recognised in Balance Sheet	(7,18,890)	(11,45,560)	(9,05,390)	(8,99,660)
	Current Asset / (Liability)	(3,780)	(7,380)	(1,18,580)	(83,480)
	Non Current Asset / (Liability)	(7,15,110)	(11,38,180)	(7,86,810)	(8,16,180)



BHARAT ROAD NETWORK LIMITED
Notes to Financial Statements (Contd)

(Amount in ₹)

S.No.	Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
		Year ended 31st March, 2016	Year ended 31st March, 2015	Year ended 31st March, 2016	Year ended 31st March, 2015
	Defined benefit plans (As per actuarial valuation)				
III	Components of Employer Expenses				
	Current Service cost	2,05,340	5,22,410	4,29,510	4,72,950
	Interest cost	89,350	41,850	49,660	36,950
	Expected return on plan assets	-	-	-	-
	Curtailment cost / (credit)	-	-	-	-
	Settlement cost / (credit)	-	-	-	-
	Past service cost	-	-	-	-
	Actuarial Losses / (Gains)	(7,21,360)	1,28,820	52,590	79,600
	Total expenses recognised in the Statement of Profit & Loss	(4,26,670)	6,93,080	5,31,760	5,89,500
IV	Actuarial Assumptions				
	Discount Rate	7.80%	7.80%	7.80%	7.80%
	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, 2016	As at 31 March, 2015	As at 31 March, 2014	As at 31 March, 2013
1	Defined Benefit Obligation	7,18,890	11,45,560	4,52,480	3,52,830
2	Fair Value of Plan Assets	-	-	-	-
3	Deficit	7,18,890	11,45,560	4,52,480	3,52,830
4	Experience adjustments on plan liabilities - gain / (loss)	7,21,360	35,340	3,10,290	-
5	Experience adjustments on plan assets - gain / (loss)	-	-	-	-
6	Actuarial gain / (loss) due to change on assumptions	-	(1,64,160)	58,270	-



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(Amount in ₹)

S.No	Particulars	Leave			As at 31 March, 2013
		As at 31 March, 2016	As at 31 March, 2015	As at 31 March, 2014	
1	Defined Benefit Obligation	9,05,390	8,99,660	4,88,660	9,37,530
2	Fair Value of Plan Assets				
3	Deficit	9,05,390	8,99,660	4,88,660	9,37,530
4	Experience adjustments on plan liabilities - gain / (loss)	(52,590)	28,730	(53,710)	(8,60,950)
5	Experience adjustments on plan assets - gain / (loss)				
6	Actuarial gain / (loss) due to change on assumptions		(1,08,330)	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, 2016	Year ended 31 March, 2015
Assets/ Liabilities			
1	Defined Benefit Obligation	1,03,850	1,35,360
2	Fair Value of Plan Assets		
3	Current Asset / (Liability)	(14,170)	(18,070)
4	Non Current Asset / (Liability)	(89,680)	(1,17,290)
Actuarial Assumptions			
1	Discount Rate	7.80%	7.80%
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 :

- 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.
- The Gratuity and Leave Encashment have been recognised under " Salaries and allowances" under Note No.22.
- The expected contribution for defined benefit plan for the next financial year is not available and hence not disclosed.



- 25 Other disclosures (Contd.)
25.2 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. Kurukshehra Expressway Pvt. Ltd. Ghaziabad Aligarh Expressway Pvt. Ltd. Shree Jagannath Expressways Pvt. Ltd. Potin - Pangin Highway Pvt. Ltd. Guruvyoor Infrastructure Pvt. Ltd.	India India India India India India
D	Key Management Personnel (KMP) Asim Tewari (CEO & Manager upto 30th June, 2015 & Chief Technical Officer w.e.f. 1st July, 2015) Anurag Kuba (CEO w.e.f. 29th June, 2015 and Upto 16th June, 2016) Alok Nagpal (CFO upto 7th July, 2015) Sanjay Banka (CFO & Company Secretary w.e.f 17th December, 2015) Samita Lahiri (Company Secretary upto 31st August, 2015)	India 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	2015-16	2014-15
(A) Investor having Control			
Infrastructure Project Development Capital	Purchase of Equity Shares of : - Ghaziabad Aligarh Expressway Pvt. Ltd.	-	50,18,62,500
(B) Subsidiary			
Solapur Tollways Pvt. Ltd.	Transactions :		
	Inter Corporate Deposit taken/(refunded)	-	(65,82,00,000)
	Inter Corporate Deposit given	-	1,50,00,000
	Inter Corporate Deposit refund received	-	1,50,00,000
	Interest Expenses on ICD taken	-	1,38,51,013
	Interest Income on ICD given	-	3,28,767
	Income from Project Management Consultancy (Excluding Service Tax)	3,09,19,866	2,00,00,000
	Balance due:		
Cost of Investment pledged as collateral for loan taken from bank	37,09,162	64,17,103	
Trade Receivable (incl service tax)	6,12,55,260	4,09,44,000	



(II) Summary of Transactions with Related Parties		(Amount in ₹)	
Name of the related party	Nature of Transaction & Outstanding Balances	2015-16	2014-15
(C) Associates :			
Orissa Steel Expressway Pvt. Ltd.	Transactions :		
	Inter Corporate Deposit given	56,20,00,000	
	Inter Corporate Deposit refund received	(56,00,00,000)	
	Interest Income on ICD given	1,96,73,951	
	Income from Project Management Consultancy		2,00,00,000
	Balance due:		
Inter Corporate Deposit Balance	20,00,000		
Cost of Investment pledged as collateral for loan taken from bank	27,06,32,239	24,11,80,445	
Interest Accrued but not due	1,14,885		
Trade Receivable (incl service tax)	1,04,72,000	1,04,72,000	
Kurukshetra Expressway Pvt. Ltd.	Transactions :		
	Advance against Unsecured Participatory Convertible Debenture	13,84,90,000	
	Unsecured Participatory Convertible Debenture allotted against application money		5,50,00,000
	Balance due:		
Advance against Unsecured Participatory Convertible Debenture	13,84,90,000		
Cost of Investment pledged as collateral for loan taken from bank	51,19,40,019	82,50,06,054	
Ghaziabad Aligarh Expressway Pvt. Ltd.	Transactions :		
	Inter Corporate deposit given	10,64,10,964	-
	Interest Income on ICD given	23,04,080	-
	Balance due:		
	Inter Corporate deposit	10,64,10,964	-
Interest Accrued but not due	23,04,080	-	
Cost of Investment pledged as collateral for loan taken from bank	71,85,08,676	64,03,02,169	
Potin - Pangin Highway Pvt. Ltd.	Balance due:		
	Unsecured Participatory Optionally Convertible Debenture	2,75,89,255	2,45,93,600
	Cost of Investment pledged as collateral for loan taken from bank	73,664	65,646
Shree Jagannath Expressways Pvt. Ltd.	Transactions :		
	Advance against Warrant/OCPID	52,27,00,000	-
	Interest income on the Advance against Warrant/OCPID	5,43,83,650	-
	Balance due:		
	Advance against Warrant/OCPID	52,27,00,000	-
Interest Accrued but not due	4,89,45,285	-	
Cost of Investment pledged as collateral for loan taken from bank	47,12,26,007	13,59,45,727	
Guruvyoor Infrastructure Pvt. Ltd.	Balance due:		
	Trade receivable	24,47,197	-
	Cost of Investment pledged as collateral for loan taken from bank	71,11,60,621	63,37,53,917



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

(Amount in ₹)

(D) Key Management Personnel :			
Asim Tewari (CFO & Manager upto 30th June, 2015 & Chief Technical Officer w.e.f. 1st July, 2015)	Salary & Allowances	65,66,763	65,15,051
Anurag Kuba (CFO w.e.f. 29th June, 2015 and upto 16th June, 2016)	Salary & Allowances	1,06,15,431	NA
Alok Nagpal (CFO upto 7th July, 2015)	Salary & Allowances	21,89,330	72,73,429
Sanjay Banka (CFO & Company Secretary w.e.f. 17th December, 2015)	Salary & Allowances	25,81,363	NA
Samita Lahiri (Company Secretary upto 31st August, 2015)	Salary & Allowances	5,59,898	17,30,942
(E) Relatives of KMP			
Roli Tewari	Car Hire Charges		3,00,000
Sonia Nagpal	Car Hire Charges		3,00,000

25.3 Contingent liabilities

(Amount in ₹)

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Claims against the Company not acknowledged as debt - Income Tax (F.Y. 2012-13)	23,10,000	

Under scrutiny assessment for the financial year 2012-13, Ld. DCIT had made disallowance u/s 14A and determined total income under normal provision of the Act at Rs.69,14,530/- by his order u/s 143(3) as against returned income of Rs.13,22,710/-.

The Company has preferred an appeal to CIT (A) against the above order on the facts that the order u/s 143(3) is grossly unjustified, erroneous and unsustainable.

The amounts shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of legal processes which have been invoked by the Company and therefore cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the dispute mentioned above on the ground that there are fair chances of successful outcome of the appeal.

25.4 Earnings per Share

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Basic and Diluted Earnings per Share		
Net Profit/ (Loss) after tax attributable to Equity Shareholders (in ₹)	27,19,549	17,04,639
Weighted average number of Equity Shares Basic (Nos.)	1,00,00,000	1,00,00,000
Weighted average number of Potential Equity Shares (Nos.)	-	-
Weighted average number of Equity Shares Diluted (Nos.)	1,00,00,000	1,00,00,000
Nominal Value of Equity per share (₹)	10	10
Basic Earnings per share (₹)	0.27	0.17
Diluted Earnings per share (₹)	0.27	0.17

25.5 The Deferred Tax Asset (net) of ₹ 9,11,579/- (31 March 2015 : ₹ 17,13,675/-) arising out of timing difference as on 31 March, 2016 is on account of the following:

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Components of Deferred Tax Asset/(Liability):		
Carry forward Losses	7,18,970	13,69,813
Provision for Gratuity	2,22,137	3,53,978
Depreciation	(29,528)	(10,116)
Deferred Tax Asset (Net)	9,11,579	17,13,675

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



1

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

25.6 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, 2016 as micro, small or medium enterprise. Consequently the amount paid / payable to these parties during the year is nil (As at 31st March 2015: Nil).

25.7 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.

25.8 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 Non-Current Assets includes borrowing cost of ₹ 120,00,20,254/- including ₹ 46,64,01,238/- for the year (As at 31st March 2015: ₹ 73,36,19,016/- including ₹ 32,28,03,982/- for that year) and ₹ 3,069,682/- including ₹ 3,069,682/- for the year (As at 31st March 2015 : ₹ Nil) respectively incurred on loans borrowed for acquisition of these investments.

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

25.10 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
Place : Kolkata
Date: 19th Sept, 2016



On behalf of the Board of Directors


Bajrang K Choudhary
Director
DIN : 00441872
Place : New Delhi
Date : 19th Sept, 2016


Brahm Dutt
Chairman
DIN : 05308908
Place : New Delhi
Date: 19th Sept, 2016

Sanjay Banka
CFO & Company Secretary
Place : New Delhi
Date: 19th Sept, 2016

Bharat Road Network Limited

Consolidated Financials

for the Financial Year

2015-16

Corporate Identity Number (CIN): U45203WB2006PLC112235

Registered Office: Mirania Gardens, 10B Topsia Road (South), Kolkata – 700046

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 Subsidiary Companies (the Holding Company and its subsidiary Companies together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2016, 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.



Independent Auditors' Report (Contd.)
To The Members of Bharat Road Network Limited

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 appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in sun-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31st March, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 25.6 to the financial statements regarding investment by the Holding Company 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.

Other Matters

- (a) We did not audit the financial statements / financial information of one subsidiary, whose financial statements reflect total assets of Rs. 3,91,11,46,219/- as at 31st March, 2016, total revenues of Rs. Nil and net cash inflows amounting to Rs. 14,37,25,277/- for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs.41,48,00,437/- for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of five associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associates, and our report in terms of sub-



Independent Auditors' Report (Contd.)
To The Members of Bharat Road Network Limited

sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associates, is based solely on the reports of the other auditors.

- (b) The consolidated financial statements also include the Group's share of net profit / loss of Rs. 45,510/- for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of one associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited, have been certified by the management of that entity and furnished to us by the Management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of that associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management of the Holding Company, these unaudited financial statements / financial information are not material to the consolidated financial statements.

Our opinion on the consolidated financial statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the unaudited financial statements / financial information certified by the management of that entity.

Report on Other Legal and Regulatory Requirements

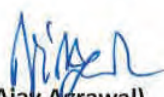
1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and based on the comments in the auditors' reports of the Holding company, subsidiary company and associate Companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, we report to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
 - iii. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - iv. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



Independent Auditors' Report (Contd.)
To The Members of Bharat Road Network Limited

- v. On the basis of the written representations received from the directors of the Holding Company as at 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company and Associate Companies, none of the directors of the group companies is disqualified as at 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- vi. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A", which is based on the Auditors' Reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Group and its associates; and
- vii. 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 Group has disclosed the impact of pending litigations on the consolidated financial position of the Group in its consolidated financial statements as of March 31, 2016 – Refer Note No. 25.2 to the consolidated financial statements.
- b. The Group has made provisions in its consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts including derivative contracts.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding company, its Subsidiary Company and Associate Companies.

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


(CA Ajay Agrawal)
Partner
Membership No. 17643
Place of Signature: Kolkata
Date: 19th day of September, 2016



Independent Auditors' Report (Contd.)
To The Members of Bharat Road Network Limited

"Annexure A" to the Independent Auditor's Report of Even Date on the Consolidated Financial Statements of Bharat Road Network Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of the Group and its associates, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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



Independent Auditors' Report (Contd.)
To The Members of Bharat Road Network Limited

"Annexure A" to the Independent Auditor's Report (Contd.)

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of his report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Group and its associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.



Independent Auditors' Report (Contd.)
To The Members of **Bharat Road Network Limited**

"Annexure A" to the Independent Auditor's Report (Contd.)

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary and 6 associates, which is company incorporated in India, is based on the corresponding report of the auditor of such companies incorporated in India.

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



(CA. Ajay Agrawal)

Partner

Membership No. 17643

Place of Signature: Kolkata

Date: 19th day of September, 2016



BHARAT ROAD NETWORK LIMITED

Consolidated Balance Sheet as at 31st March, 2016

	Notes	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share Capital	2	10,00,00,000	10,00,00,000
(b) Reserves and Surplus	3	(75,29,26,775)	(30,91,90,681)
Minority Interest			
Non-Current Liabilities			
(a) Long-Term Borrowings	4	8,72,72,10,254	2,80,43,10,000
(b) Long-Term Provisions	5	24,34,001	23,77,378
Current Liabilities			
(a) Short-Term Borrowings	6	12,75,00,000	2,86,56,99,453
(b) Trade Payables			
- Due to Micro and Small Enterprises	7.1	-	
- Due to Others	7.2	41,61,537	1,02,38,010
(c) Other Current Liabilities	8	17,37,50,621	54,73,62,315
(d) Short-Term Provisions	9	1,36,530	1,08,930
		8,38,22,66,168	6,02,09,05,405
II. ASSETS			
Non-Current Assets			
(a) Fixed Assets			
-Tangible Assets	10	12,83,655	7,51,772
-Intangible Assets	10	49,382	59,599
-Intangible Assets under Development	11	3,04,16,33,922	1,61,76,98,845
(b) Goodwill on Consolidation		1,74,79,924	1,66,96,138
(c) Non-Current Investments	12	3,60,72,69,369	3,52,92,71,352
(d) Long-Term Loans and Advances	13	1,06,19,76,400	72,19,09,108
(e) Other Non-Current Assets	14	30,69,682	
Current Assets			
(a) Trade receivables	15	2,30,89,717	1,95,82,709
(b) Cash and Bank Balances	16	18,07,10,412	8,82,84,486
(c) Short-Term Loans and Advances	17	36,74,73,431	3,28,150
(d) Other Current Assets	18	7,82,30,274	2,63,23,246
		8,38,22,66,168	6,02,09,05,405
Significant Accounting Policies	1		
Other Disclosure	25		

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
Place : Kolkata
Date: 19th Sept, 2016

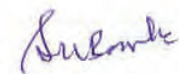


On behalf of the Board of Directors


Bajrang K Choudhary
Director
DIN : 00441872
Place : New Delhi
Date : 19th Sept, 2016




Brahm Dutt
Chairman
DIN : 05308908
Place : New Delhi
Date : 19th Sept, 2016


Sanjay Banka
CFO & Company Secretary
Place : New Delhi
Date : 19th Sept, 2016

BHARAT ROAD NETWORK LIMITED

Consolidated Statement of Profit and Loss for the year ended 31st March, 2016

	Notes	Year ended 31st March, 2016 (Amount in ₹)	Year ended 31st March, 2015 (Amount in ₹)
INCOME			
Revenue from Operations	19	75,00,000	8,43,26,741
Other Income	20	3,50,25,200	
Total Revenue		4,25,25,200	8,43,26,741
EXPENSES			
Operational Expenses	21	-	5,00,20,674
Employee Benefits Expense	22	2,90,71,846	2,90,22,630
Finance Costs	23	3,47,99,535	99,79,941
Depreciation and Amortisation Expense	10	47,284	51,734
Other Expenses	24	75,33,658	1,42,52,527
Total Expenses		7,14,52,323	10,33,27,506
Profit Before Tax		(2,89,27,123)	(1,90,00,765)
Tax Expense			
Current Tax		5,25,000	3,30,000
Less: MAT Credit Entitlement		5,25,000	3,30,000
Net Current Tax		-	-
Income Tax in Respect of Earlier Years		8,534	18,970
Profit/(Loss) After Tax but before share in results of Associates and Minority interest		(2,89,35,657)	(1,90,19,735)
Share of Loss of Associates		(41,48,00,437)	(19,34,02,886)
Profit for the year		(44,37,36,094)	(21,24,22,621)
Earnings per Equity share (in ₹) (Face Value ₹ 10/-) :	25.4		
a) Basic		(44.37)	(21.24)
b) Diluted		(44.37)	(21.24)
Significant Accounting Policies	1		
Other Disclosure	25		

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.

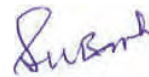
For G. P. Agrawal & Co.
Chartered Accountants
Firm Registration No.302082E

On behalf of the Board of Directors


(CA Ajay Agrawal)
Partner
Membership No.17643
Place : Kolkata
Date: 19th Sept, 2016


Bajrang K Choudhary
Director
DIN : 00441872
Place : New Delhi
Date : 19th Sept, 2016


Brahm Dutt
Chairman
DIN : 05308908
Place : New Delhi
Date : 19th Sept, 2016


Sanjay Banka
CFO & Company Secretary
Place : New Delhi
Date : 19th Sept, 2016



BHARAT ROAD NETWORK LIMITED
Consolidated Cash Flow Statement for the year ended 31st March, 2016

	Year Ended 31 March, 2016 (₹)	Year Ended 31 March, 2015 (₹)
A. Cash Flow from Operating Activities		
Net Profit before tax	(44,37,36,094)	(21,24,22,621)
Adjustments for:		
Share of Loss of Associates	41,48,00,437	19,34,02,886
Depreciation and amortisation expense	47,284	51,734
Interest Income	(3,50,20,995)	-
Liability no longer required written back	(4,205)	-
Finance costs	3,47,99,535	99,79,941
Operating Profit before Working Capital Changes	(2,91,14,038)	(89,88,060)
Increase/(Decrease) in Long Term Provisions	56,623	13,20,220
Increase/(Decrease) in Trade Payables	(60,72,268)	(70,94,159)
Increase/(Decrease) in Other Current Liabilities	(37,00,77,221)	12,12,54,907
Increase/(Decrease) in Short Term Provisions	27,600	(15,890)
Decrease/(Increase) in Trade Receivables	(35,07,008)	67,67,357
Decrease/(Increase) in Long Term Loans & Advances	33,24,29,311	(45,53,46,264)
Decrease/(Increase) in Short Term Loans & Advances	(25,87,34,317)	(1,89,408)
Decrease/(Increase) in Other Current Assets	(16,40,925)	2,77,18,405
Cash generated from Operating activities	(33,66,32,243)	(31,45,72,893)
Advance Income Tax (Net of refund)	(1,13,06,603)	(80,72,107)
Net Cash from Operating Activities	(34,79,38,846)	(32,26,45,000)
B. Cash Flow from Investing Activities		
Decrease/(Increase) in Intangible Assets under Development	(1,42,74,99,565)	(1,00,49,25,933)
Purchase of Fixed Assets (including Intangible Assets)	(8,65,094)	(5,98,041)
Inter Corporate Deposits given	(10,84,10,964)	-
Increase in Investments	(2,71,81,000)	(99,80,61,723)
Sale of Investments	-	2,19,13,54,500
Advance against Warrant/OCPID given	(66,11,90,000)	-
Interest received	2,99,56,211	-
Decrease/(Increase) in fixed deposits with banks	4,53,59,345	19,00,56,655
Net Cash from Investing activities	(2,14,98,31,067)	37,78,25,458
C. Cash Flow from Financing Activities		
Increase/(Decrease) in Goodwill	-	(90,11,05,994)
Repayment of long term borrowings	(39,63,68,883)	(3,91,81,40,000)
Proceeds from long term borrowings	6,31,92,69,137	2,11,24,00,000
Increase/(Decrease) of short term borrowings (net)	(2,73,81,99,453)	2,86,56,99,453
Interest paid	(54,91,45,617)	(45,68,38,276)
Net Cash Flow from Financing Activities	2,63,55,55,184	(29,79,84,817)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	13,77,85,271	(24,28,04,359)
Opening Cash and Cash Equivalents	4,29,25,141	28,57,29,500
Closing Cash and Cash Equivalents (Refer note no. 16)	18,07,10,412	4,29,25,141

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 is exclusive of interest capitalised ₹ 46,64,01,238/- (31st March 2015: ₹ 39,53,67,388/-). Further, Interest paid is inclusive of and unallocated borrowing costs shown under Other Non-Current Asset is exclusive of ₹ 3,069,682/- (31st March 2015: Nil). Similarly, interest of ₹ 4,13,40,686/- (31st March 2015: Nil) earned on advances and adjusted with borrowing costs, has been included in interest received to the extent realised during the year.
- During the year, Share/debenture application money given aggregating to ₹ Nil (31st March 2015: ₹ 5,50,00,000) have been converted into investments in Equity Shares/debenture.
- Cash and cash equivalents do not include any amount which is not available to the Company for its use.
- Cash and cash equivalents as at the Balance Sheet date consists of:

	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Cash on Hand	62,986	57,477
Balances with scheduled banks - In Current Accounts	7,90,67,257	4,27,11,452
Investment in Liquid Mutual Fund	10,15,80,169	1,56,212
	18,07,10,412	4,29,25,141

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
Place : Kolkata
Date: 19th Sept, 2016



On behalf of the Board of Directors


Bajrang K Choudhary
Director
DIN : 00441872
Place : New Delhi
Date : 19th Sept, 2016


Brahm Dutt
Chairman
DIN : 05308908
Place : New Delhi
Date : 19th Sept, 2016


Sanjay Banka
CFO & Company Secretary
Place : New Delhi
Date : 19th Sept, 2016

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.



Significant Accounting Policies (Contd.)

- 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.
- 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

a) Tangible Asset:

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:

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



Significant Accounting Policies (Contd.)

1.5 Depreciation and amortization

- a) 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

- b) Toll collection rights in respect of road projects are amortized over the period of concession using the revenue based amortization method in the manner prescribed under Schedule II to the companies Act, 2013. Under the revenue based method, amortization is provided based on the proportion of actual revenue earned till the end of the year to the total projected revenue from the intangible asset expected to be earned over the concession period. Total projected revenue is reviewed at the end of each financial year and is adjusted to reflect the changes in earlier estimate vis-à-vis the actual revenue earned till the end of the year so that the whole of the cost of the intangible assets is amortized over the concession period.
- c) Amortization of intangible assets such as Specialized software are 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

- d) Fixed Assets costing up to INR 5000/- 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.

1.6 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.



Significant Accounting Policies (Contd.)

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.

1.7 Capital Work in Progress

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

1.8 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.

1.9 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.

1.10 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.

1.11 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.

1.12 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.



Significant Accounting Policies (Contd.)

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.

1.13 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".

1.14 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.

1.15 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.

1.16 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.



Bharat Road Network Limited

Significant Accounting Policies (Contd.)

1.17 Cash and cash equivalents:

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

1.18 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.



BHARAT ROAD NETWORK LIMITED

Notes to Consolidated Financial Statements (Contd.)

2 Share Capital

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number	Amount (₹)	Number	Amount (₹)
a) Authorised Equity Shares of ₹ 10 each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
		10,00,00,000		10,00,00,000
b) Issued, Subscribed & Paid up Equity Shares of ₹ 10 each fully paid up	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Total		10,00,00,000	1,00,00,000	10,00,00,000

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. Dividend when declared is payable 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, 2016		As at 31st March, 2015	
	No. of Equity Shares	Amount (₹)	No. of Equity Shares	Amount (₹)
Shares outstanding at the beginning of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000

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

Name of Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Srei Venture Capital Trust A/c-Infrastructure Project Development Capital	99,50,000	99.50%	99,50,000	99.50%

3 Reserves and Surplus

Particulars	(Amount In ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Surplus/(deficit) in the Statement of Profit and Loss		
Opening Balance	(30,91,90,681)	(9,67,68,060)
Add: Net Profit/(Loss) for the year	(44,37,36,094)	(21,24,22,621)
Total	(75,29,26,775)	(30,91,90,681)



4 Long-Term Borrowings

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
i) Secured		
Term Loan from Banks	1,38,52,00,000	
Term Loan from financial Institutions	5,02,46,10,254	94,19,10,000
ii) Unsecured		
Bond / Debentures (Un-quoted)		
Optionally Convertible Participative Interest bearing Debentures (OCPID)	65,82,00,000	65,82,00,000
Others		
Sponsor's Fund	1,65,92,00,000	1,20,42,00,000
Total	8,72,72,10,254	2,80,43,10,000

5 Long-Term Provisions

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Provision for Employee Benefits		
-Gratuity	11,70,070	12,26,467
-Leave Encashment	11,74,251	10,33,621
-Sick Leave Availment	89,680	1,17,290
Total	24,34,001	23,77,378

6 Short-Term Borrowings

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Secured		
Loan Repayable on Demand - Bank Overdraft	-	1,11,06,99,453
Unsecured		
Inter Corporate Deposit from related party (refer note 25.3)	-	4,00,00,000
Inter Corporate Deposit from others	12,75,00,000	1,20,00,00,000
Term Loan from Body Corporate	-	51,50,00,000
Total	12,75,00,000	2,86,56,99,453



Trade Payable

7.1 Due to Micro and Small Enterprises

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
a) The principal amount and interest due thereon remaining unpaid to any supplier		
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day.		
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006		
d) The amount of interest accrued and remaining unpaid		
e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006		
Total		

7.2 Due to Others

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
For services	41,61,537	1,02,38,010
Total	41,61,537	1,02,38,010

8 Other Current Liabilities

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Interest accrued but not due on borrowings	3,45,16,036	3,55,99,337
Interest accrued and due on borrowings	-	24,51,175
Other Payables:		
Creditors for capital expenses	-	38,94,05,787
Retention money payable	8,35,78,986	8,37,46,911
Book Overdraft	1,94,245	-
Liability for expenses	3,20,76,102	45,03,833
Salary & other payroll dues	29,37,092	21,46,045
Statutory liability	2,04,48,160	2,95,09,227
Total	17,37,50,621	54,73,62,315

9 Short-Term Provisions

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Provision for Employee Benefits		
-Gratuity	3,780	7,380
-Leave Encashment	1,18,580	83,480
-Sick Leave Availment	14,170	18,070
Total	1,36,530	1,08,930



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

10 Fixed Assets

(Amount in ₹)

Particulars	Gross Block			Depreciation/Amortisation			Net Block		
	As at 01.04.2015	Additions during the year	Sales/ adjustments during the year	As at 31.03.2016	As at 01.04.2015	For the year	Sales/ adjustments during the year	As at 31.03.2016	As at 31.03.2015
I. Tangible assets:									
Land	-	2,12,850	-	2,12,850	-	-	-	2,12,850	1,48,019
Computers	3,10,264	2,40,200	27,552	5,22,912	1,62,245	1,35,243	27,552	2,69,936	2,52,976
Plant & Machinery	1,800	-	-	1,800	1,800	-	-	1,800	-
Furniture & Fixtures	4,72,097	2,59,544	-	7,31,641	1,23,598	1,20,107	-	2,43,705	3,48,499
Office Equipments	3,44,595	63,000	-	4,07,595	89,341	70,676	-	1,60,017	2,47,578
Electrical Installations	-	89,500	-	89,500	-	7,185	-	82,315	2,55,254
(A)	11,28,756	8,65,094	27,552	19,66,298	3,76,984	3,33,211	27,552	6,82,643	7,51,772
II. Intangible assets:									
Computer Software	62,700	-	-	62,700	3,101	10,217	-	13,318	59,599
(B)	62,700	-	-	62,700	3,101	10,217	-	13,318	59,599
Total Fixed Assets Total = (I + II)	11,91,456	8,65,094	27,552	20,28,998	3,80,085	3,43,428	27,552	6,95,961	8,11,371

(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
I. Tangible assets:									
Computers	1,87,264	1,23,000	-	3,10,264	69,227	93,018	-	1,62,245	1,48,019
Plant & Machinery	1,800	-	-	1,800	1,800	-	-	1,800	-
Furniture & Fixtures	1,82,397	2,89,700	-	4,72,097	41,160	82,438	-	1,23,598	3,48,499
Office Equipments	1,70,220	1,74,375	-	3,44,595	13,872	75,469	-	89,341	2,55,254
(A)	5,41,681	5,87,075	-	11,28,756	1,26,059	2,50,925	-	3,76,984	7,51,772
II. Intangible assets:									
Computer Software	-	62,700	-	62,700	-	3,101	-	3,101	59,599
(B)	-	62,700	-	62,700	-	3,101	-	3,101	59,599
Total Fixed Assets Total = (I + II)	5,41,681	6,49,775	-	11,91,456	1,26,059	2,54,026	-	3,80,085	8,11,371

Note:

a) Out of the total depreciation of ₹ 343,428 (Previous Year : ₹ 254,026), ₹ 296,144 (Previous Year : ₹ 202,292) has been capitalised under "Intangible assets under development" and the balance of ₹ 47,284/- (Previous Year : ₹ 51,734) has been charged to Profit and Loss for the year.

b) Depreciation for the previous year was aligned to meet the requirement of Schedule II to the Companies Act, 2013. However, the impact of the same was not material.



11 Intangible Assets under Development

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Capital Work In Progress	2,85,80,40,079	1,56,27,22,853
Expenditure During Construction Period		
Salary & Allowances	2,48,75,805	1,17,80,393
Finance Cost :		
Finance Charges	13,54,28,659	5,06,47,111
Interest on ICD	19,76,713	8,43,836
Depreciation	5,73,123	2,76,979
Other Expenses :		
Rent	12,26,539	3,65,200
Rates & Taxes	10,43,866	8,700
Professional Fees	7,45,58,932	4,68,21,386
Travelling & Conveyance Expenses	22,06,414	12,34,141
Car Hire Charges	23,22,071	9,63,403
Vehicle Running & Maintenance Expenses	11,91,207	5,25,739
Office Maintenance Expenses	17,08,263	6,68,489
Repair & Maintenance Road	53,12,369	-
Communication expenses	2,10,760	1,07,318
Insurance costs	6,70,732	4,48,316
Statutory Audit Fees	84,270	84,270
Bank Charges	1,01,99,579	68,05,407
Printing & Stationery	1,96,595	1,17,940
Postage & Courier charges	15,309	15,309
Electricity Expenses	1,19,835	37,045
Miscellaneous Expenses	34,28,063	18,93,474
Sub total	3,12,53,89,183	1,68,63,67,309
Less: Interest Income	5,34,03,043	4,95,42,410
Other Income	3,03,52,218	1,91,26,054
Total	3,04,16,33,922	1,61,76,98,845

12 Non-Current Investment

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Long Term Investment (At cost) Trade, Fully Paid up		
i) In Bonds and Debentures (Unquoted)^A		
Unsecured Participatory Convertible Debentures		
Investment in associate	5,47,70,255	2,45,93,600
ii) In Equity Instruments (Unquoted)		
Investment In associates ^{A,B,C}		
Fully paid equity shares of associate companies	4,25,03,57,281	3,78,77,35,483
Add/(Deduct):		
Accumulated share In profit/(loss) of the associate companies at the beginning of the year	(28,30,57,731)	(8,96,54,845)
Share in profit/(loss)(net) of the associate companies-during the year	(41,48,00,436)	(19,34,02,886)
	3,55,24,99,114	3,50,46,77,752
Total (i+ii)	3,60,72,69,369	3,52,92,71,352

^A Refer Note 25.6

^B The Company has pledged its investment in shares aggregating to ₹ 2,68,35,41,226/- (Previous Year ₹ 2,47,62,53,958/-) in favour of Security Trustees for loan taken by Subsidiary and Associate Companies.

^C Investments in associates include goodwill of ₹ 2,13,26,93,707/- (Previous Year ₹ 1,67,00,71,909/-).



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

13 Long-Term Loans and Advances

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Capital Advance	36,53,82,583	69,93,57,707
Security Deposit	2,87,800	3,33,839
Advance against Warrant/OCIPD to related parties (refer note 25.3)	66,11,90,000	
Other Advances:		
Advance Income Tax including Tax deducted at Source (Net of Provision ₹ 10,32,000 (P.Y ₹ 5,07,000)	2,98,24,891	1,90,43,288
WCT Receivable	42,59,126	21,67,274
MAT Credit Entitlement	10,32,000	5,07,000
Total	1,06,19,76,400	72,19,09,108

14 Other Non-Current Assets

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Unallocated borrowing cost	30,69,682	-
Total	30,69,682	-

15 Trade Receivables

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Debt outstanding for a period exceeding six months from the due date	1,12,04,759	47,80,192
Other Debts	1,18,84,958	1,48,02,517
Total	2,30,89,717	1,95,82,709

16 Cash and Bank Balances

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Cash and cash equivalents		
Cash on Hand	62,986	57,477
Balances with scheduled banks - In Current Accounts	7,90,67,257	4,27,11,452
Investment in Liquid Mutual Fund	10,15,80,169	1,56,212
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)		4,53,59,345
Total	18,07,10,412	8,82,84,486

17 Short Term Loans and Advances

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
ICD given to related parties (refer note 25.3)	10,84,10,964	-
Other Loans and Advances:		
Prepaid Expenses	1,40,576	-
Advance to staff	3,150	23,150
Advance to Vendor and others	25,89,18,741	3,05,000
Total	36,74,73,431	3,28,150

18 Other Current Assets

Particulars	(Amount in ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Interest accrued and due on loans to others	2,45,41,107	2,56,39,254
Interest accrued but not due from related parties	5,13,64,250	-
Other receivables	23,24,917	6,57,374
Others		26,618
Total	7,82,30,274	2,63,23,246



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

19 Revenue from Operations

(Amount in ₹)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Sale of services:		
Toll operations and maintenance	-	6,12,26,658
Project Management Consultancy	75,00,000	2,31,00,083
Total	75,00,000	8,43,26,741

20 Other Income

(Amount in ₹)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Interest Income	7,63,61,681	
Less: Adjusted with corresponding Interest expenses	4,13,40,686	
	3,50,20,995	-
Liability no longer required written back	4,205	-
	3,50,25,200	-

21 Operational Expenses

(Amount in ₹)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Toll Operating Expenses	-	5,00,20,674
Total	-	5,00,20,674

22 Employee Benefits Expense

(Amount in ₹)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Salaries & Allowances	2,77,89,350	2,76,45,948
Contribution to Provident and Other Funds	11,86,629	12,45,886
Staff Welfare Expenses	95,867	1,30,796
Total	2,90,71,846	2,90,22,630

23 Finance Costs

(Amount in ₹)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Interest expenses on borrowings	59,01,84,880	45,68,38,276
Less: Capitalised to Intangible assets under development	8,59,14,425	5,14,90,947
Less: Capitalised to Investments (Refer note 25.6)	46,94,70,920	39,53,67,388
Total	3,47,99,535	99,79,941



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

24 Other Expenses

(Amount in ₹)

Particulars	(Amount in ₹)	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Rates & Taxes	1,85,577	5,08,290
Insurance Premium	33,098	13,571
Legal & Professional Fees	16,55,006	79,03,644
Travelling and Conveyance	34,79,311	45,08,244
Repairs & Maintenance- Others	4,48,085	4,42,702
Postage, Telegram & Telephone	1,15,862	1,37,964
Director Fees	1,05,000	
Demat Charges	2,67,838	
Business Development Expenses	4,40,241	87,845
Payment to Auditor :		
-For Audit	3,15,250	1,84,270
-Other Services	76,143	93,488
Printing & Stationery	67,306	75,737
General Expenses	3,44,941	2,96,772
Total	75,33,658	1,42,52,527



BHARAT ROAD NETWORK LIMITED

Notes to Consolidated Financial Statements (Contd.)

25 Other disclosures (Contd.)

25.1 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". 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, 2016	As at 31st March, 2015
Subsidiary			
Solapur Tollways Pvt. Ltd.	India	98.04%	98.04%
Associates			
Orissa Steel Expressway Pvt. Ltd.	India	44.60%	44.60%
Kurukshetra Expressway Pvt. Ltd.	India	29.33%	29.33%
Ghaziabad Aligarh Expressway Pvt. Ltd.	India	39.00%	39.00%
Shree Jagannath Expressways Pvt. Ltd.	India	26.00%	26.00%
Potin - Pangin Highway Pvt. Ltd.	India	40.00%	40.00%
Guruvyoor Infrastructure Pvt Ltd (w.e.f. 30th March, 2015)	India	26.80%	26.80%

25.2 Contingent Liabilities and Commitments (to the extent not provided for:

(Amount in ₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Contingent Liabilities		
Income Tax (F.Y. 2012-13)	23,10,000	-
Reimbursement to NHAI for IE remuneration prior to appointed date i.e 3rd June 2014	31,49,552	59,50,930
Commitments		
Estimated amount of contracts remaining to be executed on capital account [Net of Capital Advances ₹ 36,53,82,583 (P.Y : ₹ 69,98,57,707)]	4,59,14,53,184	5,53,74,19,440



25.3 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	Investor having control Infrastructure Project Development Capital	India
B	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.	India India India India India India
C	Key Management Personnel (KMP) Asim Tewari (CEO & Manager upto 30th June, 2015 & Chief Technical Officer w.e.f. 1st July, 2015) Anurag Kuba (CEO w.e.f. 29th June, 2015 and upto 16th June, 2016) Alok Nagpal (CFO upto 7th July, 2015) Sanjay Banka (CFO & Company Secretary w.e.f 17th December 2015) Samita Lahiri (Company Secretary upto 31st August, 2015)	India India India India India
D	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	2015-16	2014-15
(A) Investor having Control/significant influence :			
Infrastructure Project Development Capital (Control w.e.f. 28 March, 2013)	Purchase of Equity Shares of : - Ghaziabad Aligarh Expressway Pvt. Ltd.		50,18,62,500



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	2015-16	2014-15
(B) Associates :			
Orissa Steel Expressway Pvt. Ltd.	Transactions : Inter Corporate Deposit given 56,20,00,000 Inter Corporate Deposit refund (56,00,00,000) Interest Income on ICD given 1,96,73,951 Income from Project Management Consultancy 2,00,00,000 Balance due: Inter Corporate Deposit Balance 20,00,000 Cost of Investment pledged as collateral for loan taken from bank 27,06,32,239 Interest Accrued but not due 1,14,885 Trade Receivable (incl service tax) 1,04,72,000		
Kurukshetra Expressway Pvt. Ltd.	Transactions : Advance against Unsecured Participatory Convertible Debenture 13,84,90,000 Unsecured Participatory Convertible Debenture allotted against application money 5,50,00,000 Balance due: Advance against Unsecured Participatory Convertible Debenture 13,84,90,000 Cost of Investment pledged as collateral for loan taken from bank 51,19,40,019		
Ghaziabad Allgarh Expressway Pvt. Ltd.	Transactions : Inter Corporate deposit given 10,64,10,964 Interest Income on ICD given 23,04,080 Balance due: Inter Corporate deposit 10,64,10,964 Interest Accrued but not due 23,04,080 Cost of Investment pledged as collateral for loan taken from bank 71,85,08,676		
Potin - Pangin Highway Pvt. Ltd.	Balance due: Unsecured Participatory Optionally 2,75,89,255 Cost of Investment pledged as collateral for loan taken from bank 73,664		
Shree Jagannath Expressways Pvt. Ltd.	Transactions : Advance against Warrant/OCPID 52,27,00,000 Interest income on the Advance against Warrant/OCPID 5,43,83,650 Balance due: Advance against Warrant/OCPID 52,27,00,000 Interest Accrued but not due 4,89,45,285 Cost of Investment pledged as collateral for loan taken from bank 47,12,26,007		
Guruvyoor Infrastructure Pvt. Ltd.	Balance due: Trade receivable 24,47,197 Cost of Investment pledged as collateral for loan taken from bank 71,11,60,621		



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

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

(Amount in ₹)

(C) Key Management Personnel :			
Asim Tewari	Salary & Allowances	65,66,763	65,15,051
Anurag Kuba	Salary & Allowances	1,06,15,431	NA
Alok Nagpal	Salary & Allowances	21,89,330	72,73,429
Sanjay Banka	Salary & Allowances	25,81,363	NA
Samita Lahiri	Salary & Allowances	5,59,898	17,30,942
(D) Relatives of KMP			
Roli Tewari	Car Hire Charges	-	3,00,000
Sonia Nagpal	Car Hire Charges	-	3,00,000

25.4 Earnings per Share

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Basic and Diluted Earnings per Share		
Net Profit/ (Loss) after tax attributable to Equity Shareholders (in ₹)	(44,37,36,094)	(21,24,22,621)
Weighted average number of Equity Shares Basic (Nos.)	10000000	1,00,00,000
Weighted average number of Potential Equity Shares (Nos.)	-	-
Weighted average number of Equity Shares Diluted (Nos.)	10000000	1,00,00,000
Nominal Value of Equity per share (₹)	10	10
Basic Earnings per share (₹)	(44.37)	(21.24)
Diluted Earnings per share (₹)	(44.37)	(21.24)

25.5 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.

- 25.6 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 and Other Non-Current Assets includes borrowing cost of ₹ 120,00,20,254/- including ₹ 46,64,01,238/- for the year (As at 31st March 2015: ₹ 73,36,19,016/- including ₹ 32,28,03,982/- for that year) and ₹ 3,069,682/- including ₹ 3,069,682/- for the year (As at 31st March 2015 : ₹ Nil) respectively incurred on loans borrowed for acquisition of these investments.

- 25.7 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.



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

25.8 Additional Information as per Schedule II of the Companies Act, 2013

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
Parent				
1 Bharat Road Network Limited	532.26%	(3,47,52,44,498)	6.36%	(2,82,00,318)
Subsidiaries				
Indian:				
1 Solapur Tollways Pvt. Ltd.	4.95%	(3,23,23,224)	0.17%	(7,35,340)
Minority Interests in subsidiaries	0.00%		0.00%	
Associates (investment as per equity method)				
Indian:				
1 Orissa Steel Expressway Pvt. Ltd.	-84.47%	55,15,53,634	0.03%	(1,31,719)
2 Kurukshetra Expressway Pvt. Ltd.	17.26%	(11,27,19,801)	53.34%	(23,66,93,980)
3 Ghaziabad Aligarh Expressway Pvt. Ltd.	-171.14%	1,11,74,46,501	32.82%	(14,56,50,469)
4 Shree Jagannath Expressways Pvt. Ltd.	-92.00%	60,06,79,018	0.00%	
5 Potin - Pangin Highway Pvt. Ltd. (w.e.f. 2nd December, 2013)	-0.02%	1,55,543	0.01%	(45,510)
6 Guruvyoor Infrastructure Pvt Ltd (w.e.f. 30th March, 2015)	-106.83%	69,75,26,051	7.27%	(3,22,78,760)
TOTAL	100.00%	(65,29,26,775)	100.00%	(44,37,36,094)

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

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

25.10 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.

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



(CA Ajay Agrawal)
Partner
Membership No.17643
Place : Kolkata
Firm Registration No.302082E



On behalf of the Board of Directors



Bajrang K Choudhary
Director
DIN : 00441872
Place : New Delhi
Date : 19th Sept, 2016

Brahm Dutt
Chairman
DIN : 05308908
Place : New Delhi
Date: 19th Sept, 2016

Sanjay Banka
CFO & Company Secretary
Place : New Delhi
Date: 19th Sept, 2016

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, 2016
Reporting Currency	INR
Share Capital	50,00,000
Reserves & Surplus	(1,64,09,987)
Total Assets	3,91,11,46,219
Total Liabilities	3,91,11,46,219
Investments	
Turnover	
Profit/(Loss) before Tax	(7,35,340)
Provision for Taxation	
Profit/(Loss) after Tax	(7,35,340)
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	Ghazalbad Aligarh Expressway Private Limited	Kurukshetra 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, 2016	Mar 31, 2016	Mar 31, 2016	Mar 31, 2016	Mar 31, 2016	Mar 31, 2016
2 Share of Associate held by the company on the year end						
No.	75655000	30581950	34949667	20000	38452400	45270000
Amount of Investment in Associates	1,40,87,47,438	92,57,72,293	55,23,13,880	2,75,121	60,06,79,018	76,25,69,531
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 39% 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	60,94,35,163	5,82,97,511	34,88,88,566	1,22,503	38,45,24,000	20,05,01,500
6 Profit / (Loss) for the year						
i. Considered in Consolidation	(14,56,50,469)	(23,66,93,980)	(1,31,719)	(45,510)	N.A.	(3,22,78,760)
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
Place : New Delhi
Date : 19th Sept, 2016


Brahm Dutt
Chairman
DIN : 05308908
Place : New Delhi
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