

Valecha LM Toll Private Limited

**“Valecha Chambers”,
4th Floor, Andheri New Link Road,
Andheri (West),
Mumbai – 400 053.**

Annual Report

FY : 2015-16



D. M. Jani & Co.

CHARTERED ACCOUNTANTS

Chaman Chamber, 3rd Floor, 10A, Cinema Road,
Dhobi Talao, Mumbai - 400 020

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Independent Auditors' Report

To The Members of M/s. Valecha LM Toll Private Limited Report on the Standalone Financial Statements

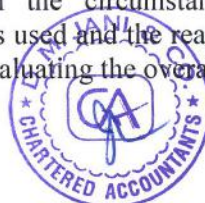
1. We have audited the accompanying standalone financial statements of **M/s. Valecha LM Toll Private Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the standalone Financial Statements

2. 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 and financial performance 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. 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.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Director, as well as evaluating the overall presentation of the financial statements.



7. 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

8. 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 March 31, 2016 and its loss for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the said Order to the extent applicable to the company.
10. As required by section 143(3) of the Companies Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - 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.
 - The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - 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.
 - On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of section 164(2) of the Act.
 - 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 A".
 - 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 knowledge and belief and according to the information and explanations given to us:
 - The Company does not have any pending litigations which would impact its financial position.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For D. M. JANI & CO.
FRN : 104047W
Chartered Accountants



Place : Mumbai

Date : 22nd August, 2016

DILIP M. JANI
Proprietor
Membership No. 17259

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the independent Auditors' Report of even date to the members of M/S. VALECHA LM TOLL PRIVATE LIMITED on the standalone financial statements for the year ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act.

1. We have audited the internal financial controls over financial reporting of M/s. Valecha Infrastructure Private 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

2. 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 (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 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.

Auditor's Responsibility

3. 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") issued by ICAI, and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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

6. 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

7. 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

8. 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, D.M. JANI & CO.
FRN: 104047W
Chartered Accountants



DILIP M.JANI.
Proprietor
Membership No: 17259

Place: Mumbai.
Date: 22nd August, 2016

Valecha LM Toll Private Limited

Annexure "B" to Independent Auditors' Report for the period ended March 2016 (Referred to in Paragraph 9 under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

(i) Fixed Assets

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b) All the assets were physically verified by the Management at reasonable intervals during the year, which in our opinion is reasonable having regards to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) The title deeds of immovable properties, as disclosed in Note 8 on fixed assets to the financial statements, are held in the name of the Company.

(ii) Inventories

There was no inventory lying as on 31st March 2016 and accordingly, the provisions of Clauses (ii) of Para 3 of "the Order" are not applicable to the company.

(iii) Loans given

During the year company has not granted any loans, Secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) Loans, Investments, Guarantees given

During the year company has not granted any loans, made any investments, given any guarantees and security. Hence, the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable to the company.

(v) Public Deposit

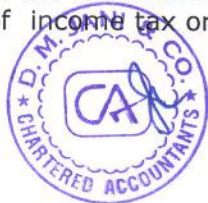
During the year, the Company has not accepted any deposits from the public, therefore, paragraph 3 (v) of the order is not applicable.

(vi) Cost Records

In our opinion and according to information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.

(vii) Statutory Dues

- a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing its undisputed statutory dues regarding Provident Fund with some delays. However, it has not deposited the amount of TDS Rs.4,44,449 towards payments made to the contractors and the professionals. The total undisputed statutory dues (TDS) outstanding as on 31st March, 2015 for more than six months from the date it became payable was Rs. 2,35,070.
- b) According to the information and explanations given to us, there are no amounts in respect of income tax or sales tax or service tax or duty of customs or duty of



excise or value added tax that have not been deposited with the appropriate authorities on account of any dispute.

- (viii) The Company has defaulted in repayment of dues to financial institutions or banks cumulatively amounting to Rs. 31.49 Crores (including interest thereon) (SBI-Rs.16.54 crores & Axis-14.95 crores) for few days. However, the defaulted amount has since been paid/regularised/settled as at the balance sheet date except Rs. 5.51 crores for last quarter (SBI-2.86 crores & Axis 2.65 crores). The Company has not defaulted in payment of dues to debenture holders.
- (ix) According to information and explanations given to us, during the year no moneys raised by way of initial public offer or further public offer (including debt instruments) and the term loans were applied for the purpose for which the loans were obtained.
- (x) 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.
- (xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The Company is not a Nidhi Company. Hence, details required under this clause are not applicable.
- (xiii) Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence, details required under section 42 of the Companies Act, 2013 are not applicable.
- (xv) The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) the company is not a Investment Company. Therefore, it is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M/s.D. M. Jani & Company
Chartered Accountants
Firm Regn. No: 104047W



Dilip M. Jani
Proprietor
Membership Number 17259

Place: Mumbai

Date: 22nd August, 2016.

Valecha LM Toll Private Limited
Balance Sheet as at 31st March 2016

(Amount in INR)

			As at 31st March, 2016	As at 31st March, 2015
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	1		10,00,00,000	10,00,00,000
(b) Reserves and surplus	2		(68,34,27,863)	(54,65,83,705)
2 Non-current liabilities				
(a) Long-term borrowings	3		2,65,22,64,623	2,70,48,34,745
(b) Deferred tax liabilities (Net)	4		2,42,34,572	3,26,53,547
3 Current liabilities				
(a) Short-term borrowings	5		10,96,466	8,25,448
(b) Trade payables	6		1,48,91,469	1,51,35,832
(c) Other current liabilities	7		16,83,79,737	16,12,95,029
TOTAL			2,27,74,39,004	2,46,81,60,896
II. ASSETS				
Non-current assets				
1 (a) Fixed assets				
(i) Tangible assets	8		56,91,031	49,51,254
(ii) Intangible assets			2,70,86,25,224	2,70,86,25,224
Less: Accumulated Depreciation			49,41,28,390	38,03,48,320
Net Block			2,22,01,87,865	2,33,32,28,158
2 Current assets				
(a) Cash and cash equivalents	9		1,86,56,501	13,30,45,554
(b) Short-term loans and advances	10		3,71,57,500	2,47,540
(c) Other current assets	11		14,37,138	16,39,644
TOTAL			2,27,74,39,004	2,46,81,60,896

The notes form an integral part of these financial statements

As per our report of even date

For D.M.JANI & Co.

Chartered Accountants



Dilip.M.Jani

Proprietor

Place : Mumbai.

Date : 22nd August, 2016

For and on behalf of the Board



Director

Director

Valecha LM Toll Private Limited
Statement of Profit & Loss for the Year Ended on 31st March 2016

(Amount in INR)

Particulars		Note No	As at 31st March, 2016	As at 31st March, 2015
I.	Revenue from operations		26,38,93,205	22,32,15,585
II.	Other income		23,16,890	1,06,40,019
III.	Total Revenue (I + II)		26,62,10,095	23,38,55,604
IV.	Expenses:			
	MPRDC Premium		1,22,76,614	1,16,92,013
	Employee benefits expense	12	56,81,432	12,75,840
	Finance costs	13	25,16,98,698	26,35,84,034
	Depreciation and amortization expense		11,37,80,070	11,52,56,674
	Other expenses	14	2,80,36,413	2,62,95,617
	Total expenses		41,14,73,227	41,81,04,178
V.	Profit / (Loss)before exceptional and extraordinary items and tax (III-IV)		(14,52,63,132)	(18,42,48,574)
VI.	Exceptional items			
VII.	Profit / (Loss) before extraordinary items and tax (V - VI)		(14,52,63,132)	(18,42,48,574)
VIII.	Extraordinary Items			
IX.	Profit / (Loss) before tax (VII- VIII)		(14,52,63,132)	(18,42,48,574)
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		(84,18,975)	(89,36,100)
XI	Profit / (Loss) for the period		(13,68,44,157)	(17,53,12,474)
XII	Earnings per equity share:			
	(1) Basic		(2.26)	(2.90)
	(2) Diluted		(2.26)	(2.90)

The notes form an integral part of these financial statements

As per our report of even date

For D.M.JANI & Co.
Chartered Accountants

Dilip.M.Jani
Proprietor

Place : Mumbai

Date : 22nd August, 2016



For and on behalf of the Board

Director

Director

VALECHA LM TOLL PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2016

	As at 31st March, 2016	As at 31st March, 2015
A Cash flow from Operating Activity		
Profit Before Tax and Extraordinary Item	(14,52,63,132)	(18,42,48,574)
Add / (Deduct) Adjustment for :		
Interest Received	23,16,890	1,06,40,019
Operating Profit before working capital changes	(14,29,46,242)	(17,36,08,555)
Trade and other Receivable	(3,67,07,454)	29,32,759
Trade and other Payables	71,11,362	6,31,25,676
Net Cash Flow from Operating Activity	(17,25,42,334)	(10,75,50,120)
B Cash Flow from Investing Activity		
Interest Received	(23,16,890)	(1,06,40,019)
Fixed Assets	11,30,40,293	11,50,90,390
Net Cash flow From Investing Activity	11,07,23,403	10,44,50,371
C. Cash Flow from Financing Activities		
Proceeds from borrowing	(5,25,70,122)	(1,66,03,404)
Net Cash From Financing Activities	(5,25,70,122)	(1,66,03,404)
Net Increase / (Decrease) in Cash and Cash Equivalents	(11,43,89,053)	(1,97,03,153)
Opening Balance of Cash and Cash Equivalents	13,30,45,554	15,27,48,708
Closing Balance of Cash and Cash Equivalents	1,86,56,501	13,30,45,554

As per our report of even date

For **D.M.JANI & Co.**

Chartered Accountants

Dilip.M.Jani

Proprietor

Place : Mumbai.

Date : 22nd August, 2016



For and on behalf of the Board

[Signature]
Director

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2016

Note 1:	Share capital	31-03-2016 (Amount in INR)	31-03-2015 (Amount in INR)
(I) Authorised Share Capital	2,00,00,000 Equity Shares of Rs 10 each	<u>20,00,00,000</u>	<u>20,00,00,000</u>
(II) Equity Shares - Issued, Subscribed and Paid up	1,00,00,000 Equity Shares of Rs 10.00 each	10,00,00,000.0	10,00,00,000
	Total	10,00,00,000	10,00,00,000

(III) Reconciliation of the shares outstanding at the beginning and the at the end of the reporting period

Opening no. of shares-	1,00,00,000 Equity Shares of Rs 10.00 each allotted as fully paid		
Issued during the period-	Nil	<u>10,00,00,000</u>	<u>10,00,00,000</u>
Outstanding at the end of the period-	1,00,00,000 Equity Shares of Rs 10.00 each allotted as fully paid	10,00,00,000	10,00,00,000

(IV) Share Holding Pattern-Share in the Company held by each shareholder holding more than 5% shares and held by the holding and fellow subsidiary Company :

- 1) Valecha Infrastructure Limited (Holding Company) nos. 74,00,000 Equity Shares of Rs 10 each
- 2) Piramal Infrastructure Pvt. Ltd. nos. 26,00,000 Equity Shares of Rs 10 each

(V) Terms / Rights attached to Shares:

- (a) The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.
- (b) 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.

Note 2:	Reserves and surplus	31-03-2016 (Amount in INR)	31-03-2015 (Amount in INR)
(I) Security Premium Ac		9,88,00,000	9,88,00,000
(II) Surplus / (Deficit) in Statement of Profit & Loss			
	Balance Brought Forward	(64,53,83,705)	(47,00,71,232)
	Surplus / (Deficit) in Statement of Profit & Loss during the Year	(13,68,44,157)	(78,22,27,863)
	Total	(68,34,27,863)	(54,65,83,705)



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2016

Note 3: Long-term borrowings		31-03-2016 (Amount in INR)	31-03-2015 (Amount in INR)											
(I)	Compulsory Convertible Debenture (Unsecured) Compulsory Convertible Debenture are to be converted into 3,73,10,000/- CCD of Rs. 10 each allotted to M/s Valecha Infrastructure Limited 1,31,10,000/- CCD of Rs. 10 each allotted to M/s Piramal Infrastructure Pvt. Ltd.	50,42,00,000.00	50,42,00,000											
		1,92,55,00,000	2,01,52,00,000											
		As at 31.03.2016 Rs. 2,11,00,00,000	As at 31.03.2015 Rs. 2,11,00,00,000											
(II)	Term Loan From Bank (Secured)													
	State Bank of India	1,11,00,00,000	1,11,00,00,000											
	Axis Bank	1,00,00,00,000	1,00,00,00,000											
	Total Term Loans	2,11,00,00,000	2,11,00,00,000											
	Total Secured Loans	2,11,00,00,000	2,11,00,00,000											
A Notes of Term Loans														
a) Security Coverage														
(Term Loans are Secured by first pari passu charge on the moveable/ immovable assets and all intangible assets by way of mortgage/ hypothecation, and first charge on rights and interest in project, present and future and by way of pledge of share held by promoter company)														
<table border="1"> <thead> <tr> <th>Bank</th> <th>Amount outstanding</th> <th>Interest Rate</th> <th>Repayment Terms</th> </tr> </thead> <tbody> <tr> <td>State Bank of India</td> <td>1,11,00,00,000</td> <td>Base rate + 2.25%</td> <td rowspan="2">Payable in 44 (Forty Four) unequal quarterly instalments, repayment shall commence from March 31, 2015.</td> </tr> <tr> <td>Axis Bank</td> <td>1,00,00,00,000</td> <td>Base rate + 2.00%</td> </tr> </tbody> </table>				Bank	Amount outstanding	Interest Rate	Repayment Terms	State Bank of India	1,11,00,00,000	Base rate + 2.25%	Payable in 44 (Forty Four) unequal quarterly instalments, repayment shall commence from March 31, 2015.	Axis Bank	1,00,00,00,000	Base rate + 2.00%
Bank	Amount outstanding	Interest Rate	Repayment Terms											
State Bank of India	1,11,00,00,000	Base rate + 2.25%	Payable in 44 (Forty Four) unequal quarterly instalments, repayment shall commence from March 31, 2015.											
Axis Bank	1,00,00,00,000	Base rate + 2.00%												
B Maturity profile of Secured Loan														
Total Repayments(Rs in crores)														
Year	Amount (Rs. Crs.)													
2016-17	10.55													
2017-18	12.66													
2018-19	14.77													
(III)	Loans & Advances from related parties													
	Unsecured	22,25,64,623	18,54,34,745											
	Total	2,65,22,64,623	2,70,48,34,745											

Note 4: Deferred tax liabilities (Net)		31-03-2016 (Amount in INR)	31-03-2015 (Amount in INR)
(I)	Deferred Tax Liabilities	2,42,34,572	3,26,53,547
	Total	2,42,34,572	3,26,53,547



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2016

Note 5: Short-term borrowings		31-03-2016	31-03-2015
		(Amount in INR)	(Amount in INR)
(I)	Loans & Advances from related parties		
	Unsecured	10,96,466	8,25,448
	Total	10,96,466	8,25,448

Note 6: Trade payables		31-03-2016	31-03-2015
		(Amount in INR)	(Amount in INR)
(I)	Trade Payables		
	Sundry Creditors-Others	1,48,91,469	1,51,35,832
	Total	1,48,91,469	1,51,35,832

Note 7: Other current liabilities		31-03-2016	31-03-2015
		(Amount in INR)	(Amount in INR)
(I)	Other Payables		
1)	Statutory remittances	10,94,905	73,063
2)	Interest Payable	5,68,07,710	6,52,34,537
3)	Expenses Payable	39,77,122	1,87,429
4)	Retention Money Payable	10,00,000	10,00,000
5)	Current Maturity of Long Term Debt	10,55,00,000	9,48,00,000
	Total	16,83,79,737	16,12,95,029



Note 8: Fixed Assets								
Details	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 1 April 2015	Additions/ (Disposals)	Balance as at 31 March 2016	Balance as at 1 April 2015	Depreciation charge for the Period	Balance as at 31 March 2016	Balance as at 31 March 2016	Balance as at 1 April 2015
(I) Tangible Assets								
Land	6,90,825	-	6,90,825	-	-	-	6,90,825	6,90,825
Plant and Equipment	3,06,802	-	3,06,802	77,999	28,600	1,06,599	2,00,203	2,28,803
Furniture and Fixtures	2,54,640	-	2,54,640	70,193	30,741	1,00,934	1,53,706	1,84,447
Vehicles	2,77,930	-	2,77,930	1,11,485	41,611	1,53,096	1,24,834	1,66,445
Computer	23,24,352	3,53,124	26,77,476	21,98,815	74,416	22,73,231	4,04,245	1,25,537
Office equipment	10,96,705	3,86,653	14,83,358	3,81,085	3,52,079	7,33,164	7,50,194	7,15,620
Total	49,51,254	7,39,777	56,91,031	28,39,577	5,27,447	33,67,024	23,24,007	21,11,677
(II) Intangible Assets								
Concessionaire Right	2,70,86,25,224	-	2,70,86,25,224	37,75,08,743	11,32,52,623	49,07,61,366	2,21,78,63,858	2,33,11,16,481
Total	2,70,86,25,224	-	2,70,86,25,224	37,75,08,743	11,32,52,623	49,07,61,366	2,21,78,63,858	2,33,11,16,481
Gross Total	2,71,35,76,478	7,39,777	2,71,43,16,255	38,03,48,320	11,37,80,070	49,41,28,390	2,22,01,87,865	2,33,32,28,158



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2016

Note 9: Cash and cash equivalents		31-03-2016	31-03-2015
		(Amount in INR)	(Amount in INR)
1)	Cash on Hand	9,66,047	23,48,271
2)	Balances with Banks		
	In Current Accounts	7,92,236	24,24,841
	In Escrow Account	2,21,630	39,716
3)	Bank Term Deposit for DSRA	1,65,00,000	12,61,90,846
	Interest Accrued on Bank Term Deposit	1,76,588	20,41,881
	Total	1,86,56,501	13,30,45,554

Note 10: Short-term loans and advances		31-03-2016	31-03-2015
		(Amount in INR)	(Amount in INR)
1)	Security Deposits	79,000	79,000
2)	Loans & Advances	-	-
3)	Prepaid Expenses	3,70,78,500	1,68,540
	Total	3,71,57,500	2,47,540

Note 11: Other current assets		31-03-2016	31-03-2015
		(Amount in INR)	(Amount in INR)
1)	Unamortised Expenses		
	Preliminary Expenses	-	3,15,877
2)	Others		
	TDS Receivable	14,37,138	13,23,767
	Total	14,37,138	16,39,644



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st March 2016

Note 12: Employee benefits expense	31-03-2016 (Amount in INR)	31-03-2015 (Amount in INR)
1) Salaries & Wages	51,53,338	9,55,554
2) Contribution to Provident Fund	34,093	34,093
3) Others	4,94,001	2,86,193
Total	56,81,432	12,75,840
<hr/>		
Note 13: Finance costs	31-03-2016 (Amount in INR)	31-03-2015 (Amount in INR)
1) Interest Expense on Borrowings	25,16,98,698	26,35,84,034
Total	25,16,98,698	26,35,84,034
<hr/>		
Note 14: Other expenses	31-03-2016 (Amount in INR)	31-03-2015 (Amount in INR)
1) Business Promotion	46,354	53,050
2) Communication	45,990	30,810
3) Insurance	1,33,532	62,241
4) Legal & Professional Fee	32,37,030	30,03,195
5) Postage & Telegram	-	981
6) Power & Fuel	10,54,618	6,22,239
7) Printing & Stationery	27,663	984
8) Rates & Taxes	4,16,674	3,84,497
9) Repair & Maintenance	72,05,351	33,64,055
10) Travelling & Conveyance	4,69,817	5,47,252
11) Toll Operator Fees	1,28,44,609	1,67,39,661
12) Payment to Auditors	2,31,089	1,79,776
13) Sundry Operational Expenses	10,93,808	6,16,463
14) Preliminary Exp W/O	3,15,878	3,15,880
15) Toll Collection System - Amc	9,14,000	3,74,533
Total	2,80,36,413	2,62,95,617



Notes On Financial Statements For The Year Ended On 31ST MARCH 2016

Related Party Disclosures

Name of the Party	Nature of Transaction	Amount Received	Amount Paid
Valecha Engineering Limited	Opening Balance	17,57,44,745	-
	Unsecured Loan-transaction during the year-Long Term	3,71,83,181	-
	Unsecured Loan-transaction during the year-Short Term	-	53,303
	Total	21,29,27,926	53,303
	Balance as on 31st March 2016		21,28,74,623
Name of the Party	Nature of Transaction	Amount Received	Amount Paid
Valecha Infrastructure Limited	Opening Balance	7,40,00,000	-
	Equity Contribution	-	-
	Total	7,40,00,000	-
	Balance as on 31st March 2016		7,40,00,000
Name of the Party	Nature of Transaction	Amount Received	Amount Paid
Valecha Infrastructure Limited	Opening Balance	37,31,00,000	-
	Compulsory convertible debentures	-	-
	Total	37,31,00,000	-
	Balance as on 31st March 2016		37,31,00,000
Name of the Party	Nature of Transaction	Amount Received	Amount Paid
Valecha Engineering Limited	Opening Balance	1,50,00,000	-
	Payment of withheld amount	-	-
	Total	1,50,00,000	-
	Balance as on 31st March 2016		1,50,00,000



Notes On Financial Statements For The Year Ended On 31ST MARCH 2016

Related Party Disclosures

Name of the Party	Nature of Transaction	Amount Received	Amount Paid
Piramal Infrastructure Pvt. Ltd.	Opening Balance	2,60,00,000	
	Equity Contribution	-	-
	Total	2,60,00,000	-
	Balance as on 31st March 2016		2,60,00,000

Name of the Party	Nature of Transaction	Amount Received	Amount Paid
Piramal Infrastructure Pvt. Ltd.	Opening Balance	13,11,00,000	
	Compulsory convertible debentures	-	-
	Total	13,11,00,000	-
	Balance as on 31st March 2016		13,11,00,000

Name of the Party	Nature of Transaction	Amount Received	Amount Paid
Piramal Infrastructure Pvt. Ltd.	Opening Balance	96,90,000	
	Unsecured Loan-transaction during the year-Long Term	-	-
	Total	96,90,000	-
	Balance as on 31st March 2016		96,90,000

Name of the Party	Nature of Transaction	Amount Received	Amount Paid
Valecha Kachchh Toll Roads Ltd.	Opening Balance	9,240	
	Amount received during the year	4,75,644	-
	Amount paid during the year		2,00,000
	Total	4,84,884	2,00,000
	Balance as on 31st March 2016		2,84,884

Name of the Party	Nature of Transaction	Amount Received	Amount Paid
Valecha Badwani Sendhwa Toll Ways Ltd	Opening Balance	-	
	Amount received during the year	75,644	-
	Amount paid during the year		-
	Total	75,644	-
	Balance as on 31st March 2016		75,644



18. Segment Reporting

The Company is a special purpose vehicle which has a single special purpose of development of Lebad Manpur Road Section in the state of Madhya Pradesh on BOT basis, therefore segment reporting is not applicable as per Accounting Standard 17.

19. Provision for Taxes:

- A. **Current Tax:** The Provision for income tax is determined in accordance with the provisions of Income Tax Act 1961.
- B. **Deferred Tax Liabilities:** Deferred Tax Liability is recognized on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. It is calculated using the applicable tax rates and tax laws that have been enacted on the balance sheet date.

Deferred Tax Liability is as under:

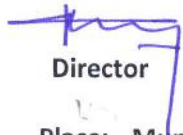

Deferred tax liability	As at 31 st March, 2016	As at 31 st March, 2015
On account of Timing difference between the depreciation as per companies act and income tax act on Fixed Assets (Tangible and Intangible Assets)	Rs. (84,18,975)/-	Rs. (89,36,100)/-

20. Auditors Remuneration (including taxes):

Particulars	(Amount in INR)	
	2015-16	2014-15
Statutory Audit	1,75,000	1,35,000
Service tax & other services	25,375	16,686
Total	2,00,375	1,51,686

21. The previous year figures have been reworked, regrouped, rearranged, and reclassified wherever necessary.

For and on behalf of the Board


Director

Director
Place: Mumbai



Date: 22nd August, 2016

For D. M. JANI & CO.
Chartered Accountants


(DILIP. M. JANI)
Proprietor
Membership No.17259



ANNEXURE I

A. BACKGROUND :

1. Corporate Information :

Valecha LM Toll Pvt. Ltd.(VLMTPL) is a Private Limited Company incorporated in India on 22.04.2010 with the registered office at Valecha chamber, 4th Floor, Andheri New Link Road, Andheri (W), Mumbai -400 053. VLMTPL is a subsidiary Company of Valecha Infrastructure Limited which holds 74% of the equity share capital of the Company. The remaining 26% of the equity capital is held by Piramal Roads Infra Pvt. Ltd.

VLMTPL has been set up to Design, Engineering, Construction, Development, Finance, Operation and maintenance, construction of Four Laning Road of Lebad (SH-31) to Manpur (NH-3), in Bhopal, Madhya Pradesh on Build –Operate-Transfer (BOT) basis and it operates under a single business and geographical segment.

2. Concession Arrangement entered into between VLMTPL and MPRDC

The 'Concession Agreement' entered into between VLMTPL and MPRDC, the government of Madhya Pradesh, conferred the right to the Company to implement the project and recover the project cost, through the levy of fees/toll revenue, with a designated rate of return over a period of 25 years concession period commencing from the 27.10.2010, i.e. the date of certificate of commencement, or till such time the designated return is recovered whichever is earlier.

B. SIGNIFICANT ACCOUNTING POLICIES :

1. **Basis of preparation:** The financial statements have been prepared to comply in all material respects with the Notified accounting standards by Companies (Accounting Standards) and Rules, and the relevant provisions of the Companies Act, throughout the accounting period. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company throughout the accounting period.
2. **Use of estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.



3. **Revenue Recognition :**

- A. **Toll Collection:** Toll Revenue is recognised in respect of toll collected at the Toll plaza of the company at Lebad-Manpur.
- B. **Interest Accrued on Deposit with Bank:** Income from Interest on deposits is recognized on time proportionate method.

4. **Fixed Assets :**

- A. **Tangible Assets:** Tangible Fixed Assets are stated at original cost less depreciation
- B. **Intangible Assets:** All the expenses incurred during construction period are capitalized as Intangible asset and recognized as per Accounting Standard 26 issued by the Institute of Chartered Accountants of India.

5. **Depreciation :**

- A. **Depreciation on Tangible Assets:** Tangible Fixed Assets are depreciated on "Straight Line Method" at the rates and in the manner prescribed in Schedule II of the Companies Act 2013.
- B. **Amortization of Intangible Assets:** Intangible Asset is amortized as per Accounting Standard 26 issued by the Institute of Chartered Accountants of India.

6. **Borrowing costs :**

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

7. **Impairment of Assets :**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is only indication of impairment based on internal / external factors. An assets is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

For and on behalf of the Board


Director


Director



For D. M. JANI & CO.
Chartered Accountants



(DILIP. M. JANI)
Proprietor
Membership No.17259

Place: Mumbai

Date: 22nd August, 2016