



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF PNC BAREILLY NAINITAL HIGHWAYS PVT LTD

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **PNC BAREILLY NAINITAL HIGHWAYS PVT LTD** which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

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

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

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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 March 31, 2016, and its Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of 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.
 - f. 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**".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. There is no pending litigation against the company.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of
RMA & Associates
Chartered Accountants
FRN: 000978N


Rajiv Bajpai
Partner
M.No.405219

Place: Delhi

Date: 23.05.2016

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
 - (c) There is no immovable property in the name of the company.
- 2) There is no inventory in the company.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7)
 - (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income -Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.
 - (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.



- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, 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;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of

RMA & Associates

Chartered Accountants

FRN: 000978N

Rajiv Bajpai

Partner

M.No.405219



Place: Delhi

Date: 23.05.2016

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of PNC BAREILLY NAINITAL HIGHWAYS PVT LTD

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 **PNC BAREILLY NAINITAL HIGHWAYS PVT LTD** 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 These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 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.

For and on behalf of

RMA & Associates

Chartered Accountants

FRN: 000978N



Rajiv Bajpai

Partner

M.No.405219



Place: Delhi

Date: 23.05.2016

PNC Bareilly Nainital Highways Pvt. Ltd.
CIN : U45400DL2011PTC222043
Balance Sheet as at March 31, 2016

		(In Lacs)	
PARTICULARS	Schedule	As At Mar 31, 2016	As At March 31, 2015
EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
a) Share Capital	A	7,460.00	7,460.00
b) Reserves and Surplus	B	(1,077.01)	5,048.00
c) Money Received against share warrants		-	-
		6,382.99	12,508.00
(2) Share Application money pending allotment		-	-
(3) Non Current Liabilities			
a) Long - Term Borrowings	C	45,771.09	33,151.70
b) Deferred Tax Liabilities (net)		-	-
c) Other Long Term Liabilities		-	-
d) Long - Term Provisions		-	-
		45,771.09	33,151.70
(4) Current Liabilities			
a) Short - Term Borrowings	D	-	-
b) Trade payables	E	1,658.72	2,683.85
c) Other Current Liabilities		358.32	510.18
d) Short - Term Provisions		-	-
		2,017.03	3,194.03
	TOTAL	54,171.12	48,853.73
ASSETS			
(1) Non- Current assets			
a) Fixed Assets	F		
i) Tangible assets		9.15	-
ii) Intangible assets		53,919.51	-
iii) Intangible assets under development		-	48,442.55
b) Non- Current Investment		-	-
c) Deferred tax assets (net)		9.42	-
d) Long - term loans and advances	G	41.36	48.05
e) Other non- current assets	H	-	38.67
		53,979.44	48,529.27
(2) Current assets			
a) Current Investment		-	-
b) Inventories		-	-
c) Trade receivables		-	-
d) Cash & Cash equivalents	I	189.02	321.29
e) Short - term loans and advances	J	0.93	-
f) Other current assets	K	1.73	3.17
		191.67	324.46
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS	N		
	TOTAL	54,171.12	48,853.73

In terms of our report of even date

For RMA & Associates
Chartered Accountants

Rajiv Bajapi
Partner
M No. 405219

Place: New Delhi

Date: 23.05.2016



On Behalf of the Board

Devendra Kumar Maheshwari
Managing Director

Ashish Jain
Director

Sumit Bansal
CFO

Neha Jain
Company Secretary

PNC Bareilly Nainital Highways Pvt. Ltd.

CIN : U45400DL2011PTC222043

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

(` In Lacs)

		(` In Lacs)	
PARTICULARS	SCHEDULE	Period Ended Mar 31, 2016	Year Ended March 31, 2015
Revenue from Operations	L	1,651.79	866.13
Other Income		6.76	-
Total Revenue		1,658.54	866.13
EXPENSES	M		
Cost of material consumed		-	-
Change in inventories of work in progress		-	-
Employee benefit expense		70.49	-
Financial Costs		2,195.33	-
Depreciation and amortization expenses		275.98	-
Other expenses		203.17	866.13
Total Expenses		2,744.98	866.13
Profit Before Tax (A)			
Tax Expenses:		(1,086.43)	-
Current Tax		-	-
Deferred Tax change/(credit)		9.42	-
Total Tax (B)		9.42	-
Profit (Loss) for the period (A - B)	(1,077.01)	-	
Earnings per equity share of Rs. 10 each	N		
Basic (in `)		(1.44)	-
Diluted (in `)		(1.44)	-
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS			

In terms of our report of even date

For RMA & Associates
Chartered AccountantsRajiv Bajapi
Partner
M No. 405219

Place: New Delhi

Dated:

Date : 23.05.2016

On Behalf of the Board

Devendra Kumar Maheshwari

Managing Director

Ashish Jain

Director

Sumit Bansal

CFO

Neha Jain

Neha Jain

Company Secretary

PNC Bareilly Nainital Highways Pvt Ltd.

CIN: U45400DL2011PTC222043

Cash Flow Statement For The Year Ended March 2016

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
A. Cash Flow from Operating Activities		
Profit Before Tax		
Net Profit /(Loss) before Tax & extraordinary items	(1,086.43)	-
Adjustment for		
Short Term/ Long Term Capital Gain/(Loss) on sale of Fixed Asset/Investment	-	-
Depreciation and amortization expenses	275.98	-
Finance cost	2,195.33	-
Operating Profit / (Loss) before working capital changes		
Adjustment fo Changes in Working Capital		
Increase/Decrease in Trade Payable	(1,025.14)	2,683.85
Increase/Decrease in Other Payable	(151.86)	113.98
Increase/Decrease in Other Receivables		9,282.99
Cash Generated from/(used) from operating activities	207.88	12,080.82
Direct Taxes Paid	-	-
Cash (used in)/ from operating activities before extraordinary Items	207.88	12,080.82
Preliminary Exp.	-	(7.73)
Cash Generated from/(used) from operating activities (A)	207.88	12,073.09
B. Cash Flow from Investing Activities		
Capital WIP	(5,762.09)	(29,579.75)
Net Cash (used in) / from Investing Activities (B)	(5,762.09)	(29,579.75)
C. Cash Flow fromFinancing Activities		
Subscription of Equity Shares	-	12,151.70
Loan From Banks	5,376.06	5,048.00
Capital Grant	-	-
Other Advances	45.87	-
Net Cash (used in) / fromFinancing Activities (C)	5,421.93	17,199.70
Net Cash Increase in cash & Cash equivalents (A+B+C)	(132.27)	(306.96)
Cash & Cash equivalents in beginning	321.29	628.25
Cash & Cash equivalents as at the end	189.02	321.29

In terms of our report of even date

Chartered Accountants

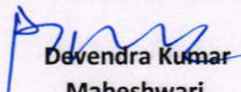

Rajiv Bajapi
 Partner
 M No. 405219

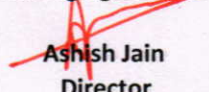


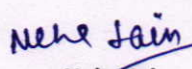
Place: New Delhi

Dated: 23.05.2016

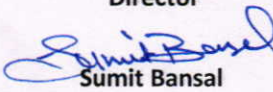
On Behalf of the Board


Devendra Kumar
 Maheshwari
 Managing Director


Ashish Jain
 Director


Neha Jain

Company Secretary


Sumit Bansal

CFO

A Share Capital

(` In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised		
Equity Shares of ` 10/- each 75000000 (Previous Year 75000000)	7,500.00	7,500.00
	7,500.00	7,500.00
Issued, Subscribed & Fully Paid up		
Equity Shares of ` 10/- each 74600000 (Previous Year 74600000)	7,460.00	7,460.00
Total	7,460.00	7,460.00

a Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	Nos.	Nos.
Opening	74,600,000	74,600,000
Add: Issued during the period	-	-
Less: Deductions	-	-
Closing	74,600,000	74,600,000

b Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Shareholder's Name	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2015
	Nos.	%	Nos.	%
PNC Infraholding Limited	69,600,000.00	93%	69,600,000.00	93%
PNC Infratech Limited	5,000,000	7%	5,000,000	7%

c Rights and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ` 10 per share. Each shareholder is eligible for one vote per share held. In case any dividend is proposed by the Board of Directors the same is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of Interim Dividend. There are restrictions attached to Equity Shares in relation to the term loan taken by the company pursuant to loan agreement with Consortium of lenders.

B Reserves and Surplus

(` In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Securities premium reserves		
Opening Balance	-	-
(+) Addition During the period	-	-
(-) Utilization During the period	-	-
Closing Balance	-	-
Capital reserves		
Opening Balance	-	-
(+) Addition During the period	5,048.00	-
(-) Utilization During the period	1,947.00	5,048.00
Closing Balance	6,995.00	-
	-	5,048.00
General Reserve		
Opening Balance	-	-
(+) Current Year Transfer from Statement of Profit & Loss	-	-
(-) Utilization During the period	-	-
Closing Balance	-	-
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	-	-
(+) Net Profit for the current period	(1,077.01)	-
Amount available for appropriation	-	-
(-) Transfer to General Reserve	-	-
Closing Balance	(1,077.01)	-
Total	(1,077.01)	5,048.00



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Notes to The Financial Statements As At March 31, 2016

C Long Term Borrowings

(` In Lacs)		
Particulars	As at March 31, 2016	As at March 31, 2015
Secured		
Term loans -from banks	45,771.09	33,151.70
Total	45,771.09	33,151.70

The requisite particulars in respect of secured borrowings

(` In Lacs)			
Particulars	Current Maturity	Non-Current Maturity	
		2nd Year	Over 5 years
Term Loan From Banks			
	184.00	736.00	(45,035.09)
	(46.00)	(184.00)	(32,967.70)
Total	184.00	736.00	(45,035.09)
	(46.00)	(184.00)	(32,967.70)

(i) Figures in brackets represents previous year figures.

(ii) 144 unequal monthly installments commencing from March 2016.

Security:

- (i) First charge on all the Company's immovable assets/ movable assets (except project assets), if any , both present and future , save and except the projects assets.
- (ii) First charge by way of hypothecation of all the borrowers movables, including current and non current assets both present and future, save and except the project assets
- (iii) A first charge on borrowers receivables save and except the project assets
- (iv) First charge over all the banks accounts of the borrower, the Escrow account , sub accounts including major maintenance account, debt service reserve account.
- (v) First charge on all intangibles of the borrower save and except the project assets
- (vi) A first charge by way of assignment or otherwise creation on security interest in all the right, title, interest, benefits, claims, and
- (viii) Pledge of shares held by the promoter and or any other person aggregating to 30%

D Trade Payables

(` In Lacs)		
Particulars	As at March 31, 2016	As at March 31, 2015
Dues of MSME parties		
Dues of other than MSME parties#	1,658.72	2,683.85
Total	1,658.72	2,683.85

*includes ` 1649.79 lacs payable to related party .

#The Company has not received information from vendors regarding their status under Micro, Small and Medium Enterprises Development Act,2006 and hence disclosure relating to amount unpaid as at the year together interest paid/payable under this act have not been given.

E Other Current Liabilities

(` In Lacs)		
Particulars	As at March 31, 2016	As at March 31, 2015
Current maturities of long-term debt		
From Banks	184.00	46.00
Total Current maturity of long term debt (A)	184.00	46.00
Other payables		
Due to employees	13.81	0.17
Statutory dues	0.72	300.52
Unsecured Loans from Related Parties	100.00	-
Others*	59.78	163.48
Total Others (B)	174.32	464.18
Total (A + B)	358.32	510.18

* includes ` 59.69 lacs payable to related party.



Handwritten signatures and initials in blue and orange ink.

F Fixed Asset

(` In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Intangible Asset	53,919.51	-
Intangible Asset under development	-	48,442.55
Tangible Assets	9.15	-
Total	53,928.66	48,442.55

G Long Term loans & Advance

(` In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Advance tax & tax deducted at source (Net)	28.84	36.38
WCT Recoverable	12.52	11.67
Total	41.36	48.05

H Other Non Current Assets

(` In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Preliminary Expense	-	38.67
Total	-	38.67

I Cash and Bank Balances

(` In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Cash & Cash Equivalents		
Cash in hand	15.35	0.46
Bank Balances with Scheduled Bank:		
In Current Account	33.66	11.46
In Term Deposits (Less than 3 months)	140.00	309.36
In Term Deposits (More than 3 months less than 12 months)	-	-
Total	189.02	321.29

J Short Term Loans and Advances

(` In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured and considered good- unless otherwise stated Advances to suppliers	0.93	-
Total	0.93	-

K Other Current Assets

(` In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Accured Interest on FDR	-	3.17
Other Deposits	1.73	-
Total	1.73	3.17



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L REVENUE FROM OPERATIONS

(` In Lacs)		
Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Contract Receipt	89.87	866.13
Toll Collection	1,561.92	-
Total	1,651.79	866.13

N OTHER INCOME

(` In Lacs)			
Particulars		Year Ended March 31, 2016	Year Ended March 31, 2015
Interest Income:			
From Bank		6.64	
Other non-operating income (net of expenses)		0.11	
Total		6.76	-

O EMPLOYEE BENEFIT EXPENSE

(` In Lacs)			
Employee Benefits Expense		Year Ended March 31, 2016	Year Ended March 31, 2015
Salaries and Wages		64.32	-
Contributions to - Provident fund & other funds		1.48	-
Staff welfare expenses		4.69	-
Total		70.49	-

P FINANCE COSTS

(` In Lacs)			
Particulars		Year Ended March 31, 2016	Year Ended March 31, 2015
Interest expense		2,195.33	-
Other Financial Cost		-	-
Total		2,195.33	-

Q DEPRECIATION AND AMORTIZATION EXPENSE:

(` In Lacs)			
Particulars		Year Ended March 31, 2016	Year Ended March 31, 2015
Depreciation on Tangible Assets		0.38	-
Amortization on Intangible Assets		275.60	-
Total		275.98	-

M OTHER EXPENSES

(` In Lacs)		
Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Contract Paid	91.63	866.13
Administration Exps	111.55	-
Total	203.17	866.13



Q


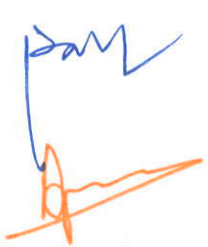


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A

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F FIXED ASSETS

TANGIBLE ASSETS									
ITEM NAME	Gross Block				Depreciation/Amortisation			Net Block	
	Opening Balance	Addition	Disposal	Closing Balance	Opening Balance	Opening Depreciation	Depreciation during the year	Closing Balance	As at 31 March 2016
<u>Tangible Asstes</u>									
Camera	-	0.11	-	0.11	-	-	0.01	0.01	0.10
Electric Equipments	-	2.49	-	2.49	-	-	0.14	0.14	2.35
Grass Cutter Machine	-	0.03	-	0.03	-	-	0.00	0.00	0.03
Mobile Phone Instruments	-	0.37	-	0.37	-	-	0.02	0.02	0.35
R O Plant	-	1.15	-	1.15	-	-	0.06	0.06	1.08
Water Cooler	-	0.30	-	0.30	-	-	0.02	0.02	0.28
Office Equipments	-	0.26	-	0.26	-	-	0.01	0.01	0.25
Furniture & Fixtures	-	4.81	-	4.81	-	-	0.12	0.12	4.69
Sub-Total (A)	-	9.52	-	9.52	-	-	0.38	0.38	9.15
<u>Intangible Assets</u>	-		-						
Concession Rights	48442.55	12,747.56	6995.00	54,195.11	-	-	275.60	275.60	53,919.51
Sub-Total (B)	48,442.55	12,747.56	6,995.00	54,195.11	-	-	275.60	275.60	53,919.51
Grand Total (A+B)	48,442.55	12,757.08	6,995.00	54,204.63	-	-	275.98	275.98	53,928.66

Notes to The Financial Statements As At March 31, 2016

M. ADDITIONAL NOTES

(` In Lacs)

- 1 During this year, the Company has completed construction of Development of Bareilly UP/UK Boarder (SH-37) on BOT basis on 18.10.2015 and commenced toll operation in terms of concession agreement dt. 11.08.2011.

- 2 The Company is entitled to received Capital grant from UPSHA as equity support in pursuance of concession agreement dt. 11.08.2011 The same is accounted for as Capital reserve in the books of accounts.

3 Related party Disclosure		
1 Transaction with Related Parties	As at March 31, 2016	As at March 31, 2015
(i) Payment on account of EPC Contract		
Mobilisation Advance to PNC Infratech Ltd	-	-
Sub Contract Work	91.63	27,054.45
(ii) Unsecured loan Received		
PNC Infratech Ltd	2,450.00	30,000.00
(iii) Repayment of Unsecured loan		
PNC Infratech Ltd	2,350.00	3,000.00
2 Amount Outstanding at Reporting date		
(i) Amount Payable		
PNC Infratech Ltd	1,709.90	2,846.74
3 Capital Commitment		
Commitment : Estimated amount of contracts remaining to be executed on capital account and not provided	NIL	12,012.45

- 4 During the period, Company has recognised revenue due to some work order of Utility shifting from department on completion of work basis. This work has been executed by our EPC contractor on back to back basis. The cost incurred and revenue has been shown in the Profit & Loss Account.

- 5 Previous year figure has been regrouped/reclassified wherever necessary to conforms current year classification.

- 6 Company got COD during the current financial year dated on 18-10-2015, so we have capitalised the Capital WIP till COD with addition of current financial year and reduced the Capital WIP with Capital grant received from NHAI. Detail shown as under-

Particulars	(` In Lacs)
	Amount
Opening balance capital WIP as on 01.04.2015	48,442.55
Add:- Addition during the year	12,747.56
Less :- Capital grant	6,995.00

Concession Right Recognised

54,195.11



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**Notes to the Financial Statements for the year ended March 31, 2016 of
PNC Bareilly Nainital Highways Pvt. Ltd.**

Significant accounting policies

Nature of Operation

The Company has been awarded the work of "Four Lanning (with paved shoulders) of Bareilly Almora Section of SH-37 in the state of Uttar Pradesh on Design, Build, Finance, Operate and Transfer (DBFOT) basis" and the collected toll fees to be retained and appropriate receivables as per the concession agreement dated 11.08.2011 with Uttar Pradesh State Highways Authority (UPSHA).

1. Basis of preparation of financial statements:

These financial statements are prepared in accordance with generally accepted accounting principles in India under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 1956 and comply in material aspect with the accounting standard notified under section 211(3C) of the Companies Act, 1956 read with Companies (Accounting Standards) Rules, 2006. Accounting Policies have been consistently applied except where a newly issued accounting standard requires a change in the accounting policy hitherto in use.

2. Use of estimates:

The preparation of financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingents liabilities at the date of financial statements and reported amounts of income and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3. Fixed assets

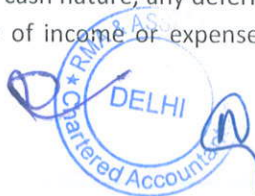
Intangible assets are recognized in accordance with the criteria specifies in Accounting Standard (AS) 26 "Intangible Assets" issued by Institute of Chartered Accountants of India.

Highways Projects representing toll collection rights are obtained in consideration for construction, operation and maintenance of the project on design, build, Finance, operate and Transfer basis. The cost of such Highways project companies' construction cost including finance cost incurred during the implementation phase. Such Highways project on completion are capitalized on intangible assets and are amortized over the period of rights given under the concession agreement as they represent right to collect toll revenue during concession period.

Pre- operative expenses incurred up to the date of commencement of commercial operations are shown separately pending allocation.

4. Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted of the effects of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash



flows. The cash flows from operating, investing and financing activities of the group are segregated. Cash and cash equivalents in the Balance Sheet comprise cash and cash at bank.

5. Revenue Recognition

Toll Collection

- (i) Income from toll collection is recognized on the basis of actual toll collection.
- (ii) Sale of discounted toll coupons/swipe cards is recognized as income at the time of sale.

6. Foreign Exchange Transaction

The Company has neither received/ earned nor paid any amount in foreign exchange.

7. Borrowing costs:

Borrowing costs that are attributed to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

8. Segment Reporting:

The Company's operations pre-dominantly consist of infrastructure development and construction, hence it operates in one business segment, Thus, the reporting requirement of Accounting Standard (AS-17) Segment Reporting are not applicable.

9. Events occurring After Balance Sheet Date

Events occurring after the balance sheet date have been considered in the preparation of financial statements.

10. Provisions, Contingent liabilities and contingent assets:

Provisions are recognized when the company has a present legal and constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. Contingent liability are recognized but are disclosed in the notes to financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.



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