

**BALESHWAR KHARAGPUR EXPRESSWAY
LIMITED**

ANNUAL REPORT

2013-14

DIRECTORS' REPORT

The Shareholders

BALESHWAR KHARAGPUR EXPRESSWAY LIMITED

Your Directors have pleasure in presenting the Second Annual Report along with the Audited Statements of Accounts for the financial year ended March 31, 2014

FINANCIAL RESULTS

The financial results of the Company are as under:

	(Amount in ₹)	
	For the year ended March 31, 2014	For the period ended March 31, 2014
Total Income	-	10,788
Total Expenses	(86,37,357)	(79,11,854)
Profit/(Loss) Before Tax	(86,37,357)	(79,01,066)
Less: Provision for Tax	-	-
Profit /(Loss)After Tax	(86,37,357)	(79,01,066)
Balance carried forward	(1,65,38,423)	(79,01,066)

OPERATIONS:

Your Company continued the development works of the existing four lane road from km 0.000 to km. 119.300 on the Baleshwar-Kharagpur section of National Highway No. 60 in the states of Orissa and West Bengal on design, build, finance, operate and transfer (“**DBFOT**”) Toll basis. During the year under review, the Company achieved physical progress of 40.97% and the revenue from toll collection was ₹36.5 Crores

FURTHER ISSUE OF CAPITAL:

In order to meet the funds requirement of the Company for development of the Project, the Company had increased its Authorised Share Capital from ₹95,00,00,000/- to ₹1,79,00,00,000/-. The Company had thereafter issued 6,04,60,000 equity shares of ₹ 10/- each of par value to the existing shareholders of the Company. As a consequence, the paid up equity capital of the Company increased from ₹55,84,00,000 /- to ₹ 60,46,00,000/-

DIVIDEND:

Due to inadequacy of profits, your Directors have not recommended any dividend for the period under review

DIRECTORS:

Mr. Ajay Menon, Director, retire by rotation at the forthcoming Annual General Meeting and being eligible has offered himself for re-appointment

AUDITORS:

M/s. Gianender & Associates, Chartered Accountants, Statutory Auditors, retire at the ensuing Annual General Meeting

DEPOSITS:

Your Company has not accepted any Fixed Deposits during the year under review

CORPORATE GOVERNANCE:

Board Meetings were held during the period under review on April 17, 2013, July 18, 2013, October 18, 2013 and January 21, 2014. The numbers of meetings attended by the Directors are as under:

Sr. No.	Name of Directors	No. of Board Meetings held during tenure	Meetings attended
1	Mr. Krishna Ghag	4	4
2	Mr. M. B. Bajulge (Appointed w.e.f April 17, 2013)	3	3
3	Mr. Ajay Menon	4	4
4	Mr. B K Jha	4	4
5	Mr. Sanjay Minglani	4	4
6	Mr. Ravi Sreehari (Resigned w.e.f April 17, 2013)	1	1

The Audit Committee was constituted pursuant to the provisions of the Section 292A of the Companies Act, 1956. The Audit Committee is comprised of Mr. M. B. Bajulge, Mr. Ajay Menon and Mr. Krishna Ghag. The Audit Committee met four times during the year under review on April 17, 2013, July 18, 2013, October 18, 2013 and January 21, 2014. The numbers of meetings attended by the Members are as under:

Sr. No.	Name of Directors	No. of Board Meetings held during tenure	Meetings attended
1	Mr. Krishna Ghag	4	4
2	Mr. M. B. Bajulge (Appointed w.e.f April 17, 2013)	3	3
3	Mr. Ajay Menon	4	4
4	Mr. Ravi Sreehari (Resigned w.e.f April 17, 2013)	1	1

The Chairman of the Audit Committee was present at the AGM

PARTICULARS OF EMPLOYEES:

There was no employee in respect of whom the statement is required to be prepared pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956 (“the Act”) the Directors based on the representations received from the Operating Management, confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Loss of the Company for that period;
- (c) they have taken proper and sufficient care for the 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 fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis

FOREIGN EXCHANGE EARNINGS AND OUTGO:

There was no earning or outgo of foreign exchange during the period under review. Since your Company does not have any manufacturing facility, the other particulars in the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable

ACKNOWLEDGMENTS:

The Directors place on record their appreciation for the continued support and co-operation received from various Government Authorities and other Regulatory Authorities, Banks, Financial Institutions and Shareholders of the Company

For and on behalf of the Board

Mumbai, April 23, 2014

Sd/-
(Director)

Sd/-
(Director)

INDEPENDENT AUDITORS' REPORT

**TO,
THE MEMBERS OF
BALESHWAR KHARAGPUR EXPRESSWAY LIMITED,**

Report on the Financial Statements

1. We have audited the accompanying financial statements of **BALESHWAR KHARAGPUR EXPRESSWAY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

2. Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.
4. 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 control relevant to the Company's preparation and fair presentation of the financial statements 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 management, as well as evaluating the overall presentation of the financial statements.



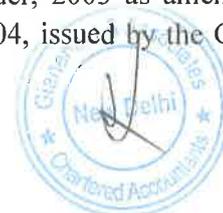
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the 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:
- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by section 227(3) of the Companies Act 1956, we report that:
- a. We have 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 appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement complies with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on 31st March 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2014, from being appointed as a director in terms of paragraph (g) of sub-section (1) of section 274 of the Companies Act, 1956.
8. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004, issued by the Government



of India in terms of Sub-section (4A) of Section 227 of the Companies Act,1956, and on the basis of such checks as we considered appropriate, and according to the information and explanations given to us, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the company.

For Gianender & Associates
Chartered Accountants
ICAI Firm Regn No. 004661N


Ramesh Koul

Partner
ICAI M No.077804

Place : New Delhi.

Date :

**ANNEXURE TO THE AUDITORS' REPORT REFERRED TO IN PARA 8 OF OUR
REPORT UNDER THE HEADING "REPORT ON OTHER LEGAL AND
REGULATORY REQUIREMENTS" OF EVEN DATE OF BALESHWAR
KHARAGPUR EXPRESSWAY LIMITED FOR THE YEAR ENDED ON MARCH 31,
2014**

- (i)
- a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) We are informed that the management of the Company has physically verified fixed assets during the period under report and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification of the fixed asset is reasonable.
 - c) The Company has not disposed of any of its fixed assets and therefore the going concern assumption is appropriate.
- (ii) The Company is engaged in the business of infrastructure development & its maintenance and has no inventories during the period under report, therefore there is nothing to report under clauses 4(ii) (a), (b) & (c) of the Companies (Auditor's Report) Order 2003 does not arise.
- (iii) According to the information and explanations given to us, the company has neither taken nor granted any loans to / from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 hence reporting under the clause (iii) (a) to (g) of the order is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures, commensurate with the size of the company and nature of its business with regard to purchase of fixed assets and for the sale of service. The activities of the Company during the period under audit do not involve purchase of inventory and sale of goods. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
- (v) a. In our opinion and according to the information and explanations given to us, The particulars of contracts that need to be entered into the register in pursuance of section 301 of the Companies Act, 1956 have been so entered where ever applicable.



- b. In our opinion, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) According to the information and explanations given to us, the company has not accepted deposits from the public within the meaning of the provisions of section 58 A, 58 AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) According to the information and explanations given to us, we are of the opinion that prima facie, cost records prescribed, pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956, are made and maintained.
- (ix) (a) According to the information & explanation given to us and according to the records, the company is generally regular in depositing undisputed statutory dues with appropriate authorities to the extent applicable to the Company including sales tax, value added tax and tax deducted at source.
- (b) According to the information and explanations given to us, as at 31st March, 2014, no undisputed statutory dues were outstanding for a period more than six months from the date they become payable.
- (b) According to the information and explanation given to us, there are no dues of income-tax, wealth-tax, sales tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) Since the Company has been into existence for a period less than five years, paragraph 4(x) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
- (xi) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to the banks and financial institutions.
- (xii) According to the information and explanation given to us, the Company has not granted any loans or advances against pledge of shares, debentures or other securities.



- (xiii) In our opinion, the Company is not a Chit fund company or Nidhi / Mutual Benefit Fund / Society. Therefore the provisions of clause 4(13) of the Companies (Auditor's Report) Order 2003 is not applicable to the company.
- (xiv) In our opinion and according to the information and explanation given to us, the Company is not dealing in shares, securities, debentures and other investments.
- (xv) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) In our opinion and according to the information and explanation given to us and on overall examination of the Balance Sheet of the Company, the term loans raised during the period have prima facie been applied for the purpose for which they were raised.
- (xvii) According to the information and explanation given to us and on overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis which is used for long term investments.
- (xviii) The Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year on the terms and conditions which are prejudicial to the interest of the Company.
- (xix) The Company has not issued any debentures and hence the question of creation of securities for debentures does not arise.
- (xx) The Company has not raised any money by public issues during the period covered by our report.



(xxi) During the course of our examination of the books and records of the Company, carried in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the period under audit, nor have been informed of such case by management.

For Gianender & Associates
Chartered Accountants
ICAI Firm Regn No. 004661N



Place : New Delhi
Date : 23/4/14

Ramesh Koul
Partner
ICAI M No.077804

Balance Sheet As At March 31, 2014

	Particulars	Note	As At		As At	
			March 31, 2014		March 31, 2013	
I	EQUITY AND LIABILITIES					
1	SHAREHOLDERS' FUNDS					
	(a) Share capital	2	1,16,30,00,000		55,84,00,000	
	(b) Reserves and surplus	3	(1,65,38,423)	1,14,64,61,577	(79,01,066)	55,04,98,934
3	NON-CURRENT LIABILITIES					
	(a) Long-term borrowings	4		1,61,00,00,000		-
2	CURRENT LIABILITIES					
	(a) Short-term provisions	5	3,32,24,885		3,15,80,824	
	(b) Other current liabilities	6	93,28,75,737	96,61,00,622	1,08,90,49,604	1,12,06,30,428
	TOTAL			3,72,25,62,199		1,67,11,29,362
II	ASSETS					
1	NON-CURRENT ASSETS					
	(a) Fixed assets	7				
	(i) Tangible assets (net)			2,86,323		-
	(ii) Intangible assets under development			3,29,82,24,915		1,20,82,49,371
	(b) Long-term loans and advances (net)	8		36,54,79,461		37,26,06,000
2	CURRENT ASSETS					
	(a) Cash and bank balances	9	5,80,98,202		9,02,71,833	
	(b) Short-term loans and advances	10	4,73,298	5,85,71,500	2,158	9,02,73,991
	TOTAL			3,72,25,62,199		1,67,11,29,362

Notes 1 to 20 form part of financial statements.

In terms of our report attached.
For Gianender & Associates
 Chartered Accountants
 Firm Registration No. 004661N

Ramesh Koul
 Partner
 Membership Number : 077804



For and on behalf of the Board

[Signature]
 Director

[Signature]
 Director

Place: New Delhi
 Date: April 23, 2014

Statement of Profit and Loss for the Year Ended March 31, 2014

		₹	
Particulars	Note	Year ended March 31, 2014	Year ended March 31, 2013
I Revenue from operations		-	-
II Other income	12	-	10,788
III Total revenue (I + II)		-	10,788
IV Expenses			
Administrative and general expenses	13	86,16,530	78,91,068
Depreciation and amortization expense	7	20,827	-
Preliminary / Miscellaneous Expenditure Written Off		-	20,786
Total expenses (IV)		86,37,357	79,11,854
V Profit before taxation (III-IV)		(86,37,357)	(79,01,066)
VI Tax expense:			
(1) Current tax		-	-
(2) Deferred tax (net)		-	-
Total tax expense (VI)		-	-
VII Profit before consolidation adjustments (V-VI)		(86,37,357)	(79,01,066)
VIII Share of profit transferred to minority interest (net)		-	-
IX Share of profit / (loss) of associates (net)		-	-
Profit for the year (VII+VIII+IX)		(86,37,357)	(79,01,066)
Earnings per equity share (Face value per share Rupees 10/-)	15		
(1) Basic (not annualised)		(0.11)	(1.36)
(2) Diluted (not annualised)		(0.11)	(1.36)

Notes 1 to 20 form part of financial statements.

In terms of our report attached.
For Gianender & Associates
 Chartered Accountants
 Firm Registration No. 004661N


Ramesh Koul
 Partner
 Membership Number : 077804



Place: New Delhi
 Date: April 23, 2014

For and on behalf of the Board


 Director


 Director

Cash Flow Statement for the Year Ended March 31, 2014

	Year ended March 31, 2014	Year ended March 31, 2013
Cash Flow from Operating Activities		
Profit Before Taxes, Minority Interest and Share of Associates	(86,37,357)	(79,01,066)
Adjustments for :-		
Interest Income	-	(10,788)
Operating profit before Working Capital Changes	(86,37,357)	(79,11,854)
Adjustments changes in working capital:		
Increase in Trade receivables	-	-
(Decrease) / Increase in other assets & loans and advances (current and non	-	-
Increase in liabilities (current and non current)	25,76,054	2,24,720
Cash Generated from Operations	(60,61,303)	(76,87,134)
Direct Taxes paid (Net)	-	-
Net Cash generated from Operating Activities (A)	(60,61,303)	(76,87,134)
Purchase of Fixed Assets	(2,86,323)	-
Interest Income received	-	10,788
(Increase) / decrease in Loans & advances related to Investment activities	66,55,399	(37,26,08,158)
Increase / (decrease) in payables related to Investment activities	(15,71,05,861)	1,12,04,05,708
(Addition)/Deletion in Intangible Assets	(2,08,99,75,544)	(1,20,82,49,371)
Net Cash used in Investing Activities (B)	(2,24,07,12,329)	(46,04,41,033)
Cash flow from Financing Activities		
Proceeds from Issue of Shares	60,46,00,000	55,84,00,000
Proceeds from borrowings	1,61,00,00,000	-
Interest and Finance costs paid	-	-
Net Cash generated from Financing Activities (C)	2,21,46,00,000	55,84,00,000
Net Decrease in Cash and Cash Equivalents (A+B+C)	(3,21,73,632)	9,02,71,833
Cash and Cash Equivalent at the beginning of the year	9,02,71,833	-
Cash and Cash Equivalent at the end of the year	5,80,98,202	9,02,71,833
Net Decrease in Cash and Cash Equivalents	(3,21,73,632)	9,02,71,833
		₹
Components of Cash and Cash Equivalents		
Cash on Hand	4,911	5,728
Balances with Banks in current accounts	5,80,93,291	9,02,66,105
Fixed deposits placed	-	-
	5,80,98,202	9,02,71,833
Cash and Cash Equivalents as per Balance Sheet	5,80,98,202	9,02,71,833

Notes 1 to 20 form part of financial statements.

In terms of our report attached.

For Gianender & Associates

Chartered Accountants

Firm Registration No. 004661N

Ramesh Koul

Partner

Membership Number : 077804



For and on behalf of the Board

Director

Director

Place: New Delhi

Date: April 23, 2014

BALESHWAR KHARAGPUR EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year Ended March 31, 2014

Note No. 1 - Significant Accounting Policies

I Background

The Company has been incorporated on 22nd March, 2012 for "Construction of New Bridges/Structures, Repair of existing Four Lane Highway from Kharagpur to Baleshwar section of NH-60 from Km 0.000 to Km 119.300 in the State of Orissa and West Bengal and its Operation and Maintenance under NHDP Phase I to be executed as BOT (Toll) on DBFOT Pattern ("the Project")." The Concession agreement between the Company and National Highways Authority of India (NHAI) for the above, has been signed on 24th April 2012. The Concession Agreement envisages concession for a period of 24 years commencing from the 'Appointed date', including construction period of 910 days commencing from the 8th February 2013 (the 'Appointed date').

II Basis of Accounting

The Financial Statements have been prepared under the historical cost convention and comply with the Accounting Standards ('AS') specified in the Companies (Accounting Standard) Rules, 2006 notified by the Central Government in terms of Section 211(3C) of the Companies Act, 1956, to the extent applicable. The Company generally follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties or otherwise accounted for on cash basis.

III Use of estimates

The preparation of financial statements in conformity with IGAAP requires the Management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of financial statements. The recognition, measurement, classification or disclosures of an item or information in the financial statements have been made relying on these estimates to a greater extent.

IV Fixed Assets and Depreciation

All fixed assets are stated at cost less accumulated depreciation. For this purpose cost includes purchase price and all other attributable costs of bringing assets into working condition and location for intended use. Assessment of indication of impairment of an asset is made as at the reporting date and impairment loss, if any is recognised.

Depreciation

- Assets individually costing Rs. 5,000 or less, mobile phones and items of soft furnishing are depreciated fully in the period when such assets are put to use.
- Depreciation is provided pro-rata for the period of use of the Fixed Assets, under the Written Down Value Method in the manner and as per the rates prescribed under Schedule XIV to the Companies, Act, 1956, as amended from time to time except in the case of following assets, Company follows Straight Line Method of depreciation so as to write off 100% of the cost of the assets at rates higher than those prescribed under Schedule XIV to the Companies Act 1956, based on the Management's estimate of useful life of such assets:

Asset Type	Useful Life
Computers	4 Years
Specialised Office Equipments	3 Years
Assets Provided to Employees	3 Years
Licensed Software	Over the license period

V Impairment of Assets

The carrying values of assets of the Company's cash-generating units are reviewed for impairment annually or more often if there is an indication of decline in value. If any indication of such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognised, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor.



BALESHWAR KHARAGPUR EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year Ended March 31, 2014

Note No. 1 - Significant Accounting Policies

VI Borrowing Cost

Borrowing costs attributable to construction of the project facilities are capitalised up to the date of completion of construction and are treated as a part of the Intangible asset. All borrowing costs subsequent to the capitalisation are charged to the Statement of Profit and Loss in the period in which such costs are incurred.

VII Employee Costs

Employee Costs include Short term employee benefits such as Salaries, Incentives etc., as defined in AS -15 on Employee Benefits. The same are recognised as an expense in the period in which the service is rendered by the concerned employee to the company. Company does not have any Defined Benefit or Defined Contribution plans.

VIII Preliminary Expenditure

Preliminary Expenses incurred on incorporation of the Company are charged to the Statement of Profit & Loss in the period during which these expenses are incurred.

IX Accounting for Taxes on Income

Provision for current income tax is made after taking into consideration benefits admissible under the provisions of the Income - tax Act, 1961. Deferred tax resulting from "timing differences" between book and tax profits is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. Deferred tax assets are recognized and carried forward only if there is a virtual/ reasonable certainty that the assets will be realized in future. The carrying amount of deferred tax asset is reviewed at each balance sheet date.

X Provisions, Contingent Liabilities and Assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires outflow of resources, which can be reliably estimated. Disclosures for a contingent liability is made, without a provision in books, when there is an obligation that may, but probably will not, require outflow of resources. Contingent Assets are neither recognized nor disclosed.

XI Cash Flow Statements

Cash flows are reported using the indirect method, whereby net profits / loss before tax are adjusted for the effect of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The Cash flows from regular revenue generating; investing and financing activities are segregated.

Cash and cash equivalents in the cash flow statement comprises of cash at bank and in hand and term deposits with banks, if any.

XII Earnings per Share

Basic Earnings per share is calculated by dividing the net profit / (loss) after tax for the period attributable to equity shareholders of the Company by the weighted average number of equity shares in issue during the period.

Diluted earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Group by the weighted average number of equity shares determined by assuming conversion on exercise of conversion rights for all potential dilutive securities.

XIII Current/Non-Current Assets and Liabilities

Assets are classified as current when it satisfies any of following criteria:

- It is expected to be realized within 12 months after the reporting date,
- It is held for trading purpose

All other assets are classified as Non-current

Liabilities are classified as current when it satisfies any of following criteria:

- It is expected to be settled within 12 months after the reporting date,
- It is held for trading purpose

All other liabilities are classified as Non-current



BALESHWAR KHARAGPUR EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year Ended March 31, 2014

Note 2: Share capital

Particulars	As at March 31, 2014		As at March 31, 2013	
	Number	₹	Number	₹
Authorised Equity Shares of Rupees 10/- each	17,90,00,000	1,79,00,00,000	9,50,00,000	95,00,00,000
Issued Equity Shares of Rupees 10/- each	11,63,00,000	1,16,30,00,000	5,58,40,000	55,84,00,000
Subscribed and Paid up Equity Shares of Rupees 10/- each fully paid (refer foot note no. i, ii and iii)	11,63,00,000	1,16,30,00,000	5,58,40,000	55,84,00,000
Total	11,63,00,000	1,16,30,00,000	5,58,40,000	55,84,00,000

Foot Notes:

i. The Company has only one class of shares i.e. Equity Shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend, if any proposed, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

ii. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year.

Particulars	As at March 31, 2014		As at March 31, 2013	
	Equity Shares		Equity Shares	
	No. of Shares	₹	No. of Shares	₹
Shares outstanding at the beginning of the year	5,58,40,000	55,84,00,000	-	-
Shares issued during the year	6,04,60,000	60,46,00,000	5,58,40,000	55,84,00,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	11,63,00,000	1,16,30,00,000	5,58,40,000	55,84,00,000

iii. Shareholding more than 5% shares

Name of Shareholder	As at March 31, 2014		As at March 31, 2013	
	No. of Shares held	% of total holding	No. of Shares held	% of total holding
IL&FS Transportation Networks Limited & it's nominee	11,63,00,000	100%	5,58,40,000	100%
Total	11,63,00,000	100%	5,58,40,000	100%



BALESHWAR KHARAGPUR EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year Ended March 31, 2014

Note 3: Reserves and surplus

Particulars	As at March 31, 2014		As at March 31, 2013	
(a) Surplus / (Deficit) in Statement of Profit and Loss Balance as per last financial statements (+) Profit / (Loss) for the current year	(79,01,066)	(1,65,38,423)	-	(79,01,066)
	(86,37,357)		(79,01,066)	
Total		(1,65,38,423)		(79,01,066)



BALESHWAR KHARAGPUR EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year Ended March 31, 2014

Note 4: Long-term borrowings

Particulars	As at March 31, 2014		As at March 31, 2013	
(a) Term Loans				
(i) Secured				
From banks (refer foot note no. i)		1,61,00,00,000		-
Total		1,61,00,00,000		-

Foot Notes:

(i) Security for Senior Debt Facility:

(A) The Senior Facility together with all interests, default interest, additional interest, fees, commission, remuneration payable to the security trustee, costs, charges, expenses and all other amounts whatsoever stipulated in, or payable by the Company in terms of, the finance documents shall to the satisfaction of the senior lenders/ security trustee, be secured to the extent permitted under the concession agreement by:

a) a first mortgage and charge on all the Company's immovable properties, both present and future, save and except the project assets;

b) a first charge on all the Company's tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, all other moveable assets and current assets, both present and future, save and except the project assets;

c) a charge on the Company's accounts including, but not limited to the escrow account where all revenues, disbursements, receivables shall be deposited and in all funds from time to time deposited therein and in all authorised investments or other securities representing all amounts credited to the escrow account;

d) a charge on all intangibles of the Company including but not limited to goodwill, rights, and undertakings, present and future provided any realisation there of shall be credited to the escrow account and the charge as aforesaid shall be limited to the extent permissible under the waterfall of the priorities as per article 31 of the concession agreement and article 4 of escrow agreement.

e) a charge on the uncalled capital of the Company;

Provided that charge at (e) above, shall be limited for ensuring that the Company calls the balance uncalled capital and makes the shares fully paid up.

f) an assignment by way of security:

(i) of the right, title and interest of the Company in, to and under the project documents including the concession agreement, duly acknowledged and consented to by NHAI and by the relevant counter-parties to such project documents to the extent not expressly provided in the concession agreement or each such project document, all as amended, varied or supplemented from time to time;

(ii) of the right, title and interest of Company in, to and under all the government approvals and insurance contracts; and

(iii) of the right, title interest of the Company in, to and under any letter of credit, guarantee, including contractor guarantees and liquidated damages and performance bond provided by any party to the project documents.

Terms of Payments:

The Company undertakes to repay the senior debt loan to each senior and sub debt lender in accordance with the repayment schedule as given below:

Repayment Schedule:

The borrower shall repay the debts in 43 unequal quartely installments commencing 6 months from COD as per schedule given below

Year Ending March	Repayment (% of Senior Debt)	Senior Debt (In Crores)
Quarter 1 to Quarter 4	0.20%	0.79
Quarter 5 to Quarter 8	0.40%	1.59
Quarter 9 to Quarter 12	1.00%	3.96
Quarter 13 to Quarter 16	4.00%	15.84
Quarter 17 to Quarter 20	6.00%	23.76
Quarter 21 to Quarter 24	10.00%	39.60
Quarter 25 to Quarter 28	12.00%	47.52
Quarter 29 to Quarter 32	14.00%	55.44
Quarter 33 to Quarter 36	18.00%	71.28
Quarter 37 to Quarter 40	20.00%	79.20
Quarter 41 to Quarter 43	14.40%	57.02
	100.00%	396.00



BALESHWAR KHARAGPUR EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year Ended March 31, 2014

Note 5: Short-term provisions

Particulars	As at March 31, 2014		As at March 31, 2013	
Short Term Provisions				
Provision for Premium to NHAI		3,06,25,000.00		2,91,66,666.00
Provision for Independent Engineer Fees		16,00,000.00		-
From others		9,99,885		24,14,158
Total		3,32,24,885		3,15,80,824

Note 6: Other current liabilities

Particulars	As at March 31, 2014		As at March 31, 2013	
(a) Other liabilities				
Sundry Creditors - Related Party		92,35,09,766		1,04,96,80,600
Statutory Dues		93,65,970		3,93,69,004
Total		93,28,75,736		1,08,90,49,604

Foot notes:

There is no supplier covered under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act"). This information has been determined based on the details regarding the status of suppliers obtained by the Company and the same has been relied upon by the Auditors.



BALESHWAR KHARAGPUR EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year Ended March 31, 2014

Note 7: Fixed assets

Particulars	Gross block		Accumulated depreciation and amortization			Net block	
	Balance as at April 1, 2013	Additions	Balance as at April 1, 2013	Depreciation charge	Balance as at March 31, 2014	Balance as at March 31, 2014	Balance as at March 31, 2013
a) Tangible assets							
Data processing equipments	-	3,07,150	-	20,827	20,827	2,86,323	-
(a) Intangible assets under development	1,20,82,49,371	2,08,99,75,544	-	-	-	3,29,82,24,915	1,20,82,49,371
Gross Total	1,20,82,49,371	2,09,02,82,694	-	20,827	20,827	3,29,85,11,238	1,20,82,49,371
Previous Year 31-Mar-2013	-	1,20,82,49,371	-	-	-	1,20,82,49,371	-



BALESHWAR KHARAGPUR EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year Ended March 31, 2014

Note 8: Long-term loans and advances

Particulars	As at March 31, 2014		As at March 31, 2013	
(a) Capital advances Unsecured, considered good to related party - Holding Co.		36,54,48,461		37,26,00,000
(b) Security deposits Unsecured, considered good		31,000		6,000
Total		36,54,79,461		37,26,06,000

Note 9: Cash and bank balances

Particulars	As at March 31, 2014		As at March 31, 2013	
Cash and cash equivalents				
Cash on hand	4,911		5,728	
In Current accounts with Banks	5,80,93,291	5,80,98,202	9,02,66,105	9,02,71,833
Other bank balances				
Total		5,80,98,202		9,02,71,833

Note 10: Short-term loans and advances

Particulars	As at March 31, 2014		As at March 31, 2013	
(a) Other loans and advances Unsecured, considered good				
- Advance payment of taxes (net of provision)		4,73,298		2,158
- Prepaid Expenses				
Total		4,73,298		2,158



BALESHWAR KHARAGPUR EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year Ended March 31, 2014

Note 11: Contingent liabilities and capital commitments

(A) Estimated amount of contracts remaining to be executed on capital account not provided for :

Particulars (Name of party & description)		As at March 31, 2014	As at March 31, 2013
1	IL&FS Transportation Networks Limited		
	Estimated amount of contracts remaining on capital account and not provided for. [Net of advances paid of Rs. 36,54,48,461/- ; (As at March 31, 2013 Rs.37,26,00,000/-)]	3,31,28,60,664	4,27,90,49,205



BALESHWAR KHARAGPUR EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year Ended March 31, 2014

Note 12: Other income

Particulars	Year ended March 31, 2014		Year ended March 31, 2013	
(a) Interest Income Interest on bank deposits				10,788
Total		-		10,788



BALESHWAR KHARAGPUR EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year Ended March 31, 2014

Note 13: Administrative and general expenses

Particulars	Year ended March 31, 2014		Year ended March 31, 2013	
Legal and consultation fees	5,74,783		2,09,114	
Rates and taxes	64,96,755		73,04,292	
Printing and stationery	-		24,113	
Directors' fees	1,69,888		55,000	
Bank charges	7,99,452		57,727	
Auditor's remuneration (refer footnote)	5,46,406		2,27,717	
Miscellaneous expenses (refer footnote)	29,246	86,16,530	13,105	78,91,068
		86,16,530		78,91,068

Footnote:

Disclosure of the amount paid/Payable to Auditors :

Particulars (Name of party & description)		Year ended March 31, 2014	Year ended March 31, 2013
1	As Auditor		
2	For Others Services	1,12,360	1,12,360
3	For reimbursement of expenses	4,22,248	1,12,360
		11,798	2,997
	Sub total	5,46,406	2,27,717

Breakup of Miscellaneous expenses as below:

Particulars	Year ended March 31, 2014		Year ended March 31, 2013	
Service Tax Expense		9,888		7,355
General Expenses		19,358		5,750
		29,246		13,105



BALESHWAR KHARAGPUR EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year Ended March 31, 2014

Note 14: Related Party Disclosures as per the AS-18 on "Related Party Disclosure" in respect of the Company as on March 31, 2014 are as follows:

Nature of Relationship	Name of Entity
Holding Company:	IL&FS Transportation Networks Limited
Fellow Subsidiaries (with whom there have been transactions during the year)	IL&FS Financial Services Limited
	IL&FS Trust Company Limited
	Elsamex India Pvt Limited

Account head	Name of Entity	31-Mar-14	31-Mar-13
Balances:			
Sundry Creditors	IL&FS Transportation Networks Limited	92,35,09,766	1,00,94,73,600
Equity Share Capital	IL&FS Transportation Networks Limited	1,16,30,00,000	55,84,00,000
Mobilisation Advance	IL&FS Transportation Networks Limited	36,54,48,461	37,26,00,000
Sundry Creditors	IL&FS Financial Services Limited	-	4,00,45,104
Sundry Creditors	Elsamex India Pvt Limited	-	1,61,896
Account head			
Transactions:			
Equity Share Capital	IL&FS Transportation Networks Limited	60,46,00,000	55,84,00,000
Project Development Fees	IL&FS Transportation Networks Limited	30,00,00,000	36,30,00,000
Success Fees	IL&FS Transportation Networks Limited	-	19,80,00,000
EPC Cost	IL&FS Transportation Networks Limited	1,52,16,90,875	54,83,50,795
Operation & Maintenance Fees	IL&FS Transportation Networks Limited	12,23,65,480	1,73,09,589
Mobilisation Advance Recovered	IL&FS Transportation Networks Limited	5,95,51,539	37,26,00,000
Security Trustee Fees	IL&FS Trust Company Limited	2,06,070	3,37,081
Syndication Fees	IL&FS Financial Services Limited	-	1,33,48,368
Advisory Fees	IL&FS Financial Services Limited	-	3,11,46,192
Underwriting Fees	IL&FS Financial Services Limited	-	62,07,890
Operation & Maintenance Fees	Elsamex India Pvt Limited	-	18,00,953
Director's Sitting Fees	Krishna Ghag	40,000	25,000
Director's Sitting Fees	Ravi Sreehari	10,000	10,000
Director's Sitting Fees	Ajay Menon	40,000	25,000
Director's Sitting Fees	Sanjay Minglani	20,000	5,000
Director's Sitting Fees	B K Jha	20,000	-
Director's Sitting Fees	M B Bajulge	30,000	-



BALESHWAR KHARAGPUR EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year Ended March 31, 2014

Note 15: Earnings per share

Particulars	Unit	Year ended March 31, 2014	Year ended March 31, 2013
Profit after tax	₹	(86,37,357)	(79,01,066)
Profit available for Equity Shareholders	₹	(86,37,357)	(79,01,066)
Weighted number of Equity Shares outstanding	Numbers	8,22,10,521	58,22,000
Nominal Value of equity shares	₹	10	10
Basic Earnings per share	₹	(0.11)	(1.36)
Equity shares used to compute diluted earnings per share	Numbers	8,22,10,521	58,22,000
Diluted Earnings per share	₹	(0.11)	(1.36)

Note 16: Director's Remuneration

The Directors have been paid sitting fees for the Board and Committee meetings attended by them.

Note 17: Employees:

There is no employee on the pay roll of the company. Therefore there is nothing to report under AS-15.

Note 18:

The Company does not have transactions to which the provisions of AS 2 - Valuation of Inventories apply.

Note 19: Segment Reporting:

The Company is a special purpose vehicle and is engaged in the business of construction and maintenance of Toll Road in India and thus operates in a single business and geographical segment. As a result, disclosures required under AS-17 on 'Segment Reporting' have not been given.

Note 20: Previous period / year

Figures for the previous year / period have been regrouped, reclassified where necessary, to conform to the classification of the current year.

In terms of our report attached.

For Gianender & Associates

Chartered Accountants

Firm Registration No. 004661N

Barnesh Koul

Partner

Membership Number : 077804



For and on behalf of the Board

Director

Director

Place: New Delhi

Date: April 23, 2014