

BARWA ADDA EXPRESSWAY LIMITED

ANNUAL REPORT

2013-14

DIRECTORS' REPORT

The Shareholders

BARWA ADDA EXPRESSWAY LIMITED

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

FINANCIAL RESULTS

The financial results of the Company are as under:

	(Amount in ₹)
	For the period ended March 31, 2014
Total Income	-
Total Expenses	(4,562,557)
Profit/(Loss) Before Tax	(4,562,557)
<u>Less: Provision for Tax</u>	-
Profit/(Loss)After Tax	(4,562,557)
Balance carried forward	(4,562,557)

OPERATIONS:

Your Company has executed the Concession Agreement with National Highways Authority of India (NHAI) on May 5, 2013 for undertaking the works of Six-Laning of Barwa-Adda-Panagarh Section of NH-2 from km 398.240 to km 521.120 including Panagarh Bypass in the States of Jharkhand and West Bengal under NHDP Phase V on Toll on DBFOT Pattern. The Company has complied with the Conditions Precedent as per the requirement in the Concession Agreement and is awaiting declaration of Appointed Date for the project by NHAI to commence physical works at the site

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 ₹ 5,00,000/- to ₹ 50,00,00,000/-. The Company had thereafter issued 2,82,00,000 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 ₹5,00,000/- to ₹ ₹28,25,00,000/-

DIVIDEND:

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

DIRECTORS:

Mr. M. B. Bajulge, Mr. Krishna Ghag and Mr. Sanjay Minglani were appointed as the First Directors of the Company, as per the Articles of Association of the Company. During the period under review, Mr. Ajay Menon and Mr. Hari Bhavsar were appointed as Additional Directors on the Board of the Company with effect from July 17, 2013

AUDITORS:

During the year, M/s. Gianender & Associates, Chartered Accountants, were appointed as first Auditors of the Company. 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 period under review

CORPORATE GOVERNANCE:

Four Board Meetings were held during the period under review on June 27, 2013, July 17, 2013, October 17, 2013 and January 20, 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	3	3
2	Mr. Sanjay Minglani	3	3
3	Mr. M. B. Bajulge	3	3
4	Mr. Ajay Menon (from July 17, 2013)	2	2
5	Mr. Hari Bhavsar (from July 17, 2013)	2	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. Sanjay Minglani and Mr. Krishna Ghag. The Audit Committee met one time during the year under review on January 20, 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	3	3
2	Mr. Sanjay Minglani	3	3
3	Mr. M. B. Bajulge	3	3

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 22, 2014

Sd/-
(Director)

Sd/-
(Director)

INDEPENDENT AUDITOR'S REPORT

To the Members of Barwa Adda Expressway Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Barwa Adda Expressway Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the period from April 23, 2013 to March 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

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.

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.

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

Opinion

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 period ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 comply 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 March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For MKPS & Associates
Chartered Accountants
Firm's Regn. No. 302014E


CA Narendra Khandal
Partner
M No. 065025

Mumbai, April 22, 2014

Annexure to Auditors' report

Referred to in our report of even date on the accounts of
Barwa Adda Expressway Limited
for the period ended on 31st March 2014

- (i) In view of there being no fixed assets, the reporting requirements under clause 4(i) are not applicable for the year under audit.
- (ii) Since the company does not carry any inventory, the reporting requirements under clause 4(ii) of the Order, 2003 are not applicable to the Company.
- (iii)
 - a) In our opinion, and according to the information and explanation given to us, the company has not granted loan to any parties, firms or companies covered in the register maintained pursuant to section 301 of the companies act. Hence, the reporting requirements under sub-clause (a), (b), (c) and (d) of clause 4 of the order are not applicable.
 - b) In our opinion and according to the information and explanations given to us, the company has not taken any loans secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act. Hence, the reporting requirement under sub clause (e), (f) and (g) of clause 4 (iii) of the order are not applicable.
- (iv) In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for activities relating to the intangibles under development. The activities of the company during the period under audit did not involve purchase of inventory and sale of goods. During the course of our audit, we have neither observed nor been informed by the management of any continuing failure to correct major weaknesses in internal controls.
- (v)
 - a) In our opinion, and according to the information and explanations given to us, the particulars of contracts or arrangements, if any, that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakh have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion, and according to the information and explanations given to us, the company has not accepted any deposits from public during the period under audit. Consequently, the directives issued by Reserve Bank of India and the provisions of Sections 58A and 58AA of the Act and the rules framed there under are not applicable.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

- (viii) We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 and are of the opinion, that prima-facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) a) According to the records of the company, statutory dues like investor education protection fund, employees' state insurance, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues are not applicable to the company; the company is generally regular in depositing with appropriate authorities income-tax, sales tax, provident fund. Further, according to the information and explanations given to us, there are no such undisputed amounts payable in respect outstanding, as at the Balance Sheet date for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no applicable statutory dues which have not been deposited on account of any dispute.
- (x) Since the company has been registered for a period of less than 5 years, the reporting requirements under Clause 4 (x) of the order are not applicable.
- (xi) In view of there being no borrowings from bank, the reporting requirements under Clause 4 (xi) of the order are not applicable.
- (xii) In our opinion, and according to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the reporting requirements under clause 4(xii) of the order are not applicable to the company.
- (xiii) In our opinion, and according to the information and explanations given to us, the company is not a chit fund or a nidhi mutual benefit fund / society. Therefore, the reporting requirements under clause 4(xiii) of the order are not applicable to the company.
- (xiv) In our opinion, and according to the information and explanations given to us, the company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the reporting requirements under clause 4(xiv) of the order are not applicable to the company.
- (xv) In our opinion, and according to the information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions. Therefore, the reporting requirements under clause 4(xv) of the order are not applicable to the company.
- (xvi) In view of there being no term loans availed by the company the reporting requirements under clause 4(xvi) of the order are not applicable to the company.

- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short-term have been used for long-term purposes.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures. Therefore, the provisions of clause 4(xix) of the Order are not applicable to the company.
- (xx) According to the information and explanations given to us, during the period covered by our audit report, the company has not raised any money by public issues. Therefore, the reporting requirements under clause 4(xx) of the Order are not applicable to the company.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For MKPS & Associates
Chartered Accountants
Firm's Regn No. 302014E


CA Narendra Khandal
Partner

M. No. 065025

Mumbai, April 22, 2014

BARWA ADDA EXPRESSWAY LIMITED

Balance Sheet as at March 31, 2014

₹ in Rupees

Particulars	Note Nos.	As At March 31, 2014	
I EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
(a) Share capital	2	28,25,00,000	
(b) Reserves and surplus	3	(45,62,557)	27,79,37,443
CURRENT LIABILITIES			
(d) Trade payables		-	
(e) Other current liabilities	4	2,06,90,48,250	
(f) Short-term provisions		-	2,06,90,48,250
TOTAL			2,34,69,85,693
II ASSETS			
NON CURRENT ASSETS			
(a) Fixed assets (net)	5		
(i) Tangible assets		-	
(ii) Intangible assets		-	
(iii) Capital work-in-progress		-	
(iv) Intangible assets under development		2,33,97,28,073	2,33,97,28,073
CURRENT ASSETS			
(a) Cash and bank balances	6	68,69,420	
(b) Short-term loans and advances	7	3,88,200	
(c) Other current assets		-	72,57,620
TOTAL			2,34,69,85,693

Notes 1 to 17 form part of financial statements.

In terms of our report attached.
For MKPS & ASSOCIATES
 Chartered Accountants
 Firm Reg No: 302014E


Narendra Khandal
 Partner

Membership Number: 065025

Place : Mumbai
 Date : April 22, 2014

For Barwa Adda Expressway Limited



Director



Director

BARWA ADDA EXPRESSWAY LIMITED

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

₹ in Rupees

Particulars	Note No	From April 23, 2013 to March 31, 2014.
I REVENUE FROM OPERATIONS		-
II OTHER INCOME		-
III TOTAL REVENUE (I+II)		-
IV EXPENSES		
Cost of materials consumed		-
Finance costs		-
Administrative and general expenses	8	45,62,557
Preliminary / Miscellaneous Expenditure Written Off		-
TOTAL EXPENSES		45,62,557
V PROFIT BEFORE TAXATION (III-IV)		(45,62,557)
VI TAX EXPENSES:		
(1) Current tax		-
(2) Tax relating to earlier period		-
(3) Deferred tax		-
TOTAL TAX EXPENSES (VI)		-
VII PROFIT FOR THE YEAR (V-VI)		(45,62,557)
Earnings per equity share (Face value per share Rupees 10/-):	10	
(1) Basic		(0.16)
(2) Diluted		(0.16)

Notes 1 to 17 form part of financial statements.

In terms of our report attached.
For MKPS & ASSOCIATES
 Chartered Accountants
 Firm Reg No: 302014E

For Barwa Adda Expressway Limited



Narendra Khandal
 Partner
 Membership Number: 065025



Director



Director

Place : Mumbai
 Date : April 22, 2014

BARWA ADDA EXPRESSWAY LIMITED

Cash Flow Statement for the Year Ended March 31, 2014

₹ in Rupees

From April 23,
2013 to March 31,
2014.

	₹ in Rupees
CASH FLOW FROM OPERATING ACTIVITIES	
Profit (Loss) Before Taxes, Minority Interest and Share of Associates	(45,62,557)
Adjustments for :-	
Depreciation and amortization expense	-
Excess provisions written back	-
Operating profit before Working Capital Changes	(45,62,557)
Adjustments changes in working capital:	
Increase in Trade receivables	
(Increase) / Decrease in Other Current, Other Non-Current Assets & Trade Receivables	(3,88,200)
Increase / (Decrease) in liabilities (current and non current)	2,06,90,48,250
Cash Generated from Operations	2,06,40,97,493
Direct Taxes paid (Net)	-
Net Cash generated from Operating Activities (A)	2,06,40,97,493
CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of Fixed Assets	-
Proceeds of Fixed Assets	-
(Increase) / Decrease in Intangible asset under development	(2,33,97,28,073)
Increase / (Decrease) in Other Current, Other Non-Current Liabilities & Trade Payables	-
(Increase) / Decrease in Other Current, Other Non-Current Assets & Trade Receivables	-
Interest received	-
Dividend received	-
Net Cash used in Investing Activities (B)	(2,33,97,28,073)
CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from Issue of Shares	28,25,00,000
Share Issue expenses paid	-
(Decrease)/ Increase in Advance towards capital	-
Proceeds from borrowings	-
Repayments of borrowings	-
Finance costs paid	-
Dividend payment	-
Tax on Dividend paid	-
Capital Grant received	-
Proceeds from minority interest	-
Net Cash generated from Financing Activities (C)	28,25,00,000
Net Decrease in Cash and Cash Equivalents (A+B+C)	68,69,420
Cash and Cash Equivalent at the beginning of the year (Note - 6)	-
Cash and Cash Equivalent at the end of the year (Note- 6)	68,69,420
Net Decrease in Cash and Cash Equivalents	68,69,420
Components of Cash and Cash Equivalents	
Cash on Hand	1,055
Balances with Banks in current accounts	68,68,365
Fixed deposits placed	68,69,420
Unpaid Dividend Accounts	
Cash and Cash equivalents on acquisition of Joint Venture	
Bank balances held as margin money or else security against borrowings	
Cash and Cash Equivalents as per Balance Sheet	68,69,420

Notes 1 to 17 form part of financial statements.

In terms of our report attached.
For **MKPS & ASSOCIATES**
Chartered Accountants
Firm Reg No: 302014E

For Barwa Adda Expressway Limited


Narendra Khandal
Partner
Membership Number: 065025

 Director
 Director

Place : Mumbai
Date : April 22, 2014

Notes forming part of the Financial Statements for the Period Ended March 31, 2014**Note No. 1 - Significant Accounting Policies****I Background**

The Company has been incorporated on 23rd April, 2013 for "Set up to design, build, finance, operate and transfer Six laning of Barwa Adda-Panagarh Section of NH2 from 398.240km to 521.120 km in the state of Jharkhand and West Bengal under NHDP Phase V to be executed as (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 8th May 2013. The Concession Agreement envisages concession for a period of 20 years commencing from the 'Appointed date', including construction period of 910 days commencing from 1st April 2014, (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 read with general circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act 2013, 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.

VI Borrowing Cost

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

Note No. 1 - Significant Accounting Policies

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

BARWA ADDA 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	
	Number	₹
Authorised Equity Shares of Rupees 10/- each	5,00,00,000	50,00,00,000
Issued Equity Shares of Rupees 10/- each		
Subscribed and Paid up Equity Shares of Rupees 10/- each fully paid (refer foot note no. i, ii, and iii)	2,82,50,000	28,25,00,000
TOTAL	2,82,50,000	28,25,00,000

FOOT NOTES:

i. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2014	
	Equity Shares	
	No. of Shares	₹
Shares outstanding at the beginning of the period / year	-	-
Shares issued during the period / year	2,82,50,000	28,25,00,000
Shares bought back during the period / year		
Shares outstanding at the end of the period / year	2,82,50,000	28,25,00,000

ii. Shareholding more than 5% shares

Name of Shareholder	As at March 31, 2014	
	No. of Shares held	% of total holding
IL&FS Transportation Networks Limited	2,82,49,940	100.00%
Other Less than 5%	60	0.00%
TOTAL	2,82,50,000	100%

NOTE 3: RESERVES AND SURPLUS

₹ in Rupees

Particulars	As at March 31, 2014	
(a) Profit / (Loss) Surplus		
Opening balance	-	
(+) Profit(Loss) for the current period / year	(45,62,557)	
(-) Consolidation adjustment	-	
(-) Transfer to general reserves	-	
(-) Transfer to debenture redemption reserve	-	
(-) Dividends (including dividend tax)	-	
(-) Premium on preference shares of subsidiary	-	
(-)Tax on dividend and premium on preference shares of subsidiary	-	(45,62,557)
TOTAL		(45,62,557)

BARWA ADDA EXPRESSWAY LIMITED

Notes forming part of the financial statements for the year ended March 31, 2014

NOTE 4: OTHER CURRENT LIABILITIES

₹ in Rupees

Particulars	As at March 2014	
(a) Other current liabilities (Refer foot note below)		
Related parties	2,05,85,32,476	
sundry creditors (For Expenses)	3,42,337	2,05,88,74,813
(b) Others		
Other liabilities (statutory and other dues)	1,01,73,437	-
		1,01,73,437
TOTAL		2,06,90,48,250

FOOT NOTES:

The Company has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium enterprises Development Act, 2006 and hence disclosures, if any relating to amount unpaid as at the year end together with interest paid/payable as required under the said Act have not been furnished.

BARWA ADDA EXPRESSWAY LIMITED

Notes forming part of the financial statements for the year ended March 31, 2014

NOTE 5: FIXED ASSETS

Particulars	Gross block				Accumulated depreciation				Net block Balance as at March 31, 2014	
	Balance as at April 1, 2013	Opening adjustments	Additions	Disposals	Balance as at March 31, 2014	Balance as at April 1, 2013	Opening adjustments	Depreciation charge for the period		On disposals
a) Tangible assets										
TOTAL	-	-	-	-	-	-	-	-	-	-
b) Intangible assets										
TOTAL	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL	-	-	-	-	-	-	-	-	-	-
c) Capital work in progress										
TOTAL	-	-	2,33,97,28,073	-	2,33,97,28,073	-	-	-	-	2,33,97,28,073
d) Intangible asset under development										
TOTAL	-	-	2,33,97,28,073	-	2,33,97,28,073	-	-	-	-	2,33,97,28,073

BARWA ADDA EXPRESSWAY LIMITED

Notes forming part of the financial statements for the year ended March 31, 2014

NOTE 6: CASH AND CASH EQUIVALENTS

₹ in Rupees

Particulars	As at March 31, 2014	
(a) Cash and cash equivalents		
Cash on hand	1,055	
Bank Balance in current accounts	68,68,365	
Bank Fixed Deposits placed for a period less than 3 months	-	68,69,420
(b) Other bank balances		
Fixed Deposits placed for a period exceeding 3 months	-	
TOTAL		68,69,420

NOTE 7: SHORT-TERM LOANS AND ADVANCES

₹ in Rupees

Particulars	As at March 31, 2014	
(a) Loans and advances to related parties		
Unsecured, considered good		
- Advance recoverable in cash or kind - related parties	3,88,200	
- Investment in call money	-	
- Advance towards share application money	-	
- Short term loans	-	3,88,200
(d) Other loans and advances		
Unsecured, considered good		
- Advance payment of taxes (net of provision)	-	
- Short term loans - others	-	-
TOTAL		3,88,200

BARWA ADDA EXPRESSWAY LIMITED

Notes forming part of the financial statements for the year ended March 31, 2014

NOTE 8: ADMINISTRATIVE AND GENERAL EXPENSES

₹ in Rupees

Particulars	From 23rd April 2013 to 31st March 2014	
Legal and consultation fees	2,17,335	
Rates and taxes	38,73,190	
Bank commission	7,980.2	
Payment to Auditor	4,61,798	
Miscellaneous expenses	2,254	45,62,557
		45,62,557

FOOT NOTE :-

Disclose the amount Paid/Payable to Auditors :

₹ in Rupees

Particulars (Name of party & description)	As at March 31,
	2014
a Audit fees	1,00,000
b For taxation matters	-
c For other services	3,11,000
d Service tax on above	50,798
	4,61,798

BARWA ADDA EXPRESSWAY LIMITED**Notes** forming part of the financial statements for the year ended March 31, 2014**NOTE 9: EARNINGS PER EQUITY SHARE**

Particulars	Unit	Year ended March 31, 2014
Profit /(Loss) after tax and minority interest	₹	(45,62,557)
Premium on preference shares	₹	-
Tax on premium on preference shares	₹	-
Profit available for Equity Shareholders	₹	(45,62,557)
Weighted number of Equity Shares outstanding	Numbers	2,82,50,000
Nominal Value of equity shares	₹	10
Basic Earnings per share	₹	(0.16)
Equity shares used to compute diluted earnings per share	Numbers	2,82,50,000
Diluted Earnings per share	₹	(0.16)

NOTE 10 : CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**A) Estimated amount of contracts remaining to be executed on capital and other account :**

₹ in Rupees

Particulars (Name of party & description)	As at March 31, 2014
Capital commitment	22,01,22,10,868
Bank Guarantee	1,07,19,00,000

BARWA ADDA EXPRESSWAY LIMITED

Notes forming part of the financial statements for the year ended March 31, 2014

NOTE 11: RELATED PARTY STATEMENT

CURRENT YEAR

- a Name of related parties and description of relationship

Ultimate Holding Company:	Infrastructure Leasing & Financial Services Limited (IL&FS)
Holding Company:	IL&FS Transportation Networks Limited (ITNL)
Fellow Subsidiaries	IL&FS Trust Company Limited (ITCL) IL&FS Financial Services Limited (IFIN)
Key Management Personnel:	

- b (a) Transactions with related parties as mentioned (a) above

Nature of Transaction	Year ended March 31, 2014		
	ITNL	ITCL	IFIN
Equity Share Alloted during the year	28,25,00,000	-	-
Project Development Fees	2,09,15,00,000	-	-
Acceptatance & Documentation Fees	-	7,86,520	-
Debt syndication Fees	-	-	19,15,06,384
Underwriting Fees	-	-	29,32,596

- (b) Balances outstanding as at March 31, 2014:

Balance Outstanding	As at March 31, 2014	
	ITNL	IFIN
Equity Share	28,25,00,000	-
Current liability payable	1,88,35,37,394	17,49,95,082
Current Debtor Receivable	-	-

PREVIOUS YEAR : NOT APPLICABLE

FOOT NOTE :-

- (1) Reimbursement of expenses is not included above.

BARWA ADDA EXPRESSWAY LIMITED

Notes forming part of the financial statements for the year ended March 31, 2014

NOTE 12: DIRECTOR'S REMUNERATION

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

NOTE 13: EMPLOYEES:

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

NOTE 14:

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

NOTE 15: 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 16:

Sundry Debtors and Sundry Creditors are subject to balance confirmations and reconciliation, if any

NOTE 17:

The Company has been incorporated on April 23, 2013, therefore financial statement have been prepared for the period 23-April-2013 to 31-Mar-2014.

Notes 1 to 17 form part of financial statements.

In terms of our report attached.

For MKPS & ASSOCIATES

Chartered Accountants

Firm Reg No: 302014E

For Barwa Adda Expressway Limited



Narendra Khandal
Partner

Membership Number: 065025



Director **Director**

Place : Mumbai

Date : April 22, 2014