

SEVENTH ANNUAL REPORT 2015-2016

**JHARKHAND ROAD PROJECTS
IMPLEMENTATION COMPANY LIMITED**

CORPORATE INFORMATION

BOARD OF DIRECTORS:

(As on March 31, 2016)

Mr S C Mittal	Director
Mr Sanjay Minglani	Director
Mr Vijay Kini	Director
Mr Milan Chakravarti	Director
Mr Paresh Shah	Director
Ms Shruti Arora	Director
Mr Amit Garg	Manager

Chief Financial Officer

Mr Kaushal Mehta

STATUTORY AUDITORS:

M/s U Narain & Company
Chartered Accountants
301, Commerce Tower
Opposite G.E.L. Church Complex
Main Road, Ranchi – 834 001

LEAD BANKERS:

Bank of India : For Ranchi Ring Road, Ranchi Patratu Dam Road and Patratu Dam Ramgarh Road Projects

Allahabad Bank : For Adityapur Kandra and Chaibasa Kandra Chowka Road Projects

REGISTERED OFFICE

443/A, Road No. 5, Ashok Nagar
Ranchi – 834 002
Tel: +91 651 2247410 Fax: +91 651 2240952

NOTICE OF THE SEVENTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Seventh Annual General Meeting of the Members of Jharkhand Road Projects Implementation Company Limited will be held at the registered office of the Company at 1st Floor, 443/A, Road No. 5, Ashok Nagar, Ranchi - 834002 on September 21, 2016 at 4.00 pm to transact the following business:

Ordinary Business:

- [1] To receive, consider and adopt the Balance Sheet of the Company as at March 31, 2016, the audited Profit and Loss Account and schedules thereon with Cash Flow Statement for the year ended on that date, the Auditors' Report thereon and the Report of the Board of Directors
- [2] To appoint a Director in place of Mr Sanjay Minglani (holding Din No. 02960939), who retires at this Annual General Meeting and being eligible and offers himself for re-appointment
- [3] To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution

"RESOLVED THAT the auditors of the Company, **M/s U Narain & Co, Chartered Accountants, Ranchi, with Firm registration no. 00935C**, who retire at this meeting, being eligible and willing to act as Auditors, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 10th Annual General Meeting at a remuneration to be decided by Mr Sanjay Minglani., Director in consultation with the Auditors subject to yearly ratification by the Shareholders of the Company"

Special Business

- [4] To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment (s) thereof, M/s Chivilkar Solanki & Associates, Cost Accountants (Firm Registration No. 000468) appointed by the Board of Directors to conduct the audit of the cost records of the Company for FY 2015 -16 and 2016-17 be paid a remuneration of Rs.75,000/- plus service tax as applicable and reimbursement of out of pocket expenses incurred by him in connection with the aforesaid audit"

JRPICL

Seventh Annual Report 2015-16

By Order of the Board of Directors
For Jharkhand Road Projects Implementation Company Limited

KUMAR GAURAV
AUTHORISED SIGNATORY

Registered Office:

1st Floor 443/A, Road No. 5
Ashok Nagar
Ranchi - 834 002

Date:

Place:

NOTES:

- (a) **A Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and a Proxy need not be a Member of the Company.** Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the Meeting.
- (b) The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 is annexed hereto
- (c) The meeting is being convened on a shorter notice and accordingly a general form is enclosed herewith for obtaining consent of the Members for convening the meeting at a shorter notice. The Members are requested to forward the same duly signed, giving their consent/dissent for convening the meeting at a shorter notice*

* only if meeting is convened on shorter notice

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 and Rule 15 (3) of Companies (Meetings of Board and its Powers) Rules, 2014**Item no. 4**

The Board of Directors on the recommendation of the Audit Committee had approved the appointment of M/s Chivilkar Solanki & Associates, Cost Accountants (Firm Registration No. 000468), to conduct the audit of the cost records of the Company for FY 2015-16 and 2016-17. In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor for FY 2015-16 and 2016-17 is required to be approved by the Members of the Company.

Accordingly, the Members are requested to approve the remuneration payable to the Cost Auditor for the financial year ending March 31, 2016 and March 31, 2017, as set out in the Resolution No 4 of the Notice.

None of the Directors, Promoters or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the said Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members

FORM NO. MGT - 11**PROXY FORM**

[Pursuant to the provisions of Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Registered Address : E-mail ID Folio No./ Client ID: DP ID: I/We being the Member(s) of _____ equity shares of Rs. 10 each of Jharkhand Road Projects Implementation Company Limited, hereby appoint:

1. Name: _____ E-mail
Id: _____
Address: _____

Signature
e: _____ or failing him

2. Name: _____ E-mail
Id: _____
Address: _____

Signature
e: _____ or failing him

3. Name: _____ E-mail
Id: _____
Address: _____

Signature
e: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 7th Annual General Meeting of the Company, to be held on2016 at am/p.m. at 'the registered office of the Company and at any adjournment(s) thereof, in respect of the resolutions, as indicated below

1. Adoption of Annual Accounts of the Company for the FY 2015-16
2. To appoint a Director in place of Mr Sanjay Minglani, who retires at this Annual General Meeting
3. To reappoint the Statutory Auditor of the Company
4. Approval of Cost Auditor remuneration

Signed

Affix Re 1 Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

Jharkhand Road Projects Implementation Company Limited
Registered Office: 1st Floor, 443/A, Road No. 5, Ashok Nagar, Ranchi - 834002

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting hall)
Seventh Annual General Meeting held on, 2016 at am/pm

I hereby record my presence at the Seventh Annual General Meeting of the Company
held on _____, _____, 2016 at _____ am/pm at the

Folio no. _____

Full name of the Member (in BLOCK LETTERS) _____

Full name of the Proxy (in BLOCK LETTERS) _____

Member's/ Proxy's Signature: _____

CONSENT BY SHAREHOLDER FOR SHORTER NOTICE

THE COMPANIES ACT, 2013

[Pursuant to section 101(1)]

To
The Board of Directors
Jharkhand Road Projects Implementation Company Limited
Ranchi

I, son of resident of holding equity/ preference shares of Rs. in the company in my own name hereby give consent, pursuant to section 101(1) of the Companies Act, 2013, to hold the Annual General Meeting of the Company on, 2016 at am/pm at a shorter notice.

Signature

Name

(In Block Capitals)

Dated the ____ day of _____ 2016

DIRECTORS' REPORT**The Members****Jharkhand Road Projects Implementation Company Limited**

Your Directors have pleasure in presenting the Seventh Annual Report along with the Audited Accounts for the financial year ended March 31, 2016

1. FINANCIAL PERFORMANCE:

	<i>(Amount in Rs)</i> FY ended March 31, 2016	<i>(Amount in Rs)</i> FY ended March 31, 2015
Total Income	355,13,79,483	297,77,47,646
Total Expense	469,65,28,303	411,17,84,628
Profit / (Loss) Before Tax	(114,51,48,820)	(113,40,36,982)
Provisions for Tax	-	3,87,310
Fringe Benefit Tax	-	-
Wealth Tax	-	-
Profit / (Loss) After Tax	(114,51,48,820)	(113,36,49,672)
Balance Carried to Balance Sheet	(114,51,48,820)	(203,76,65,866)

The net loss after tax for the year is Rs 114,51,48,820. Aggregating the carry forward balance of loss of Rs **203,76,65,866** a net loss of Rs **318,28,14,685** is carried to the Balance Sheet.

2. SHARE CAPITAL:

Your Company's paid-up equity share capital as on March 31, 2016 stood at Rs. 259.49 Crores.

3. DIVIDEND:

The Directors do not recommend dividend for the period under review

4. ANNUAL RETURN

The Annual Return of the Company pursuant to Section 92 (3) of the Companies Act, 2013 is enclosed to this Board Report in Annexure A

5. DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTOR

A statement of declaration pursuant to section 149 (6) of the Companies Act, 2013 regarding the independency of Independent Director is also enclosed herewith.

6. CRITERIA/QUALIFICATIONS FOR APPOINTMENT OF DIRECTORS

As the Company is the subsidiary of IL&FS Group, the criteria of appointment and remuneration to directors including their qualifications and positive attributes are recommended by IL&FS Group. The Independent Directors had in their meeting proposed further that they will formulate the same in their next Nomination and Remuneration Committee Meeting. However the independency criteria for appointment of Independent Directors are followed as per the provisions of Companies Act, 2013. The declaration of Independency is attached in Annexure B of this Board report. Independent Directors had met on November 20, 2015.

7. LOANS AND GUARANTEE

No loans and guarantee has been made under section 186 of the Companies Act, 2013

8. CONTRACTS AND ARRANGEMENT WITH RELATED PARTIES

As per the provisions of 188 (1) of the Companies Act, 2013 all Related Party Transaction were in the Ordinary Course of business and at arm's length basis and that the compliance under the Companies Act 2013 stands fulfilled

9. OPERATIONS:

Your Company is engaged in the development of road projects under the Jharkhand Accelerated Road Development Programme (JARDP). Under the JARDP, GoJ has proposed to upgrade about 1500 Lane Km of roads in the state and currently your Company has undertaken development of the following road stretches as identified and conveyed by Government of Jharkhand (GoJ);

Your Company has successfully completed/ provisionally completed these entire 5 road projects within the timeline set by Government of Jharkhand from time to time and also commenced the Operation & Maintenance work of all these projects, details of the same is as follows:

S No	Road Project	Length of Project (KM)	Proposed Lane	SPCD	Completion/ Provisional Completion Date
1	Ranchi-Patratu Dam Road	35.27	4/2 Lanes	October 12, 2012	Completed w.e.f October 12, 2012
2	Patratu Dam – Ramgarh Road	27.16	4 Lane	April 30, 2014	Completed w.e.f April 30, 2014

3	Ranchi Ring Road (Sec. III, IV, V & VI)	36.19	6 Lanes	September 21, 2012	Completed w.e.f September 21, 2012
4	Adityapur – Kandra Road	15.10	4 Lanes	January 31, 2013	Completed w.e.f January 31, 2013
5	Chaibasa – Kandra – Chowka Road	68.70	2 Lanes	November 30, 2014	Provisionally Completed w.w.e November 30, 2014

The Improvement works on 7.6 km of balance of the land not handed over to the Concessionaire is pending due to Forest Clearance. Now as the forest clearance has been received construction on 2.6 Km is only pending.

ROAD INFRASTRUCTURE SECTOR:

For a country of India's size, an efficient road network is necessary both for national integration as well as for socio-economic development. Road development remains the Government's top priority to catapult a developing economy into the league of advanced nations. The Road infrastructure in Jharkhand requires augmentation. Growth of population and vehicles has burdened the existing road network. This needs to be taken care of by means of maintenance, upgradation and construction

The Road infrastructure of the state is divided basically into three categories -

- National Highway
- State Highway & Major District Roads
- Rural Roads & Minor District Roads

National Highways are the primary system of roads. Similarly State Highways, Major Districts Roads (MDR) and other roads provide secondary system and the Rural Roads and Minor District Roads provide tertiary systems. The present availability of these roads is as follows:

Category of roads in the State of Jharkhand	Length (Km)
National Highways including NH-2 (transferred to NHDP)	1844.00 Km
State Highways	1886.40 Km
Major District roads	4828.10Km
Other Roads of PWD/ODR	166.00 Km
Total	8724.50 Km

Government of Jharkhand has launched a massive programme for improvement of the secondary system of roads in the State and has introduced the Jharkhand Accelerated Road Development Programme (JARDP) through a public-private partnership. Under the JARDP, road length of around 1500 lane km would be taken up for development

10. FUTURE OUTLOOK:

Your Company has been mandated to develop road projects in the State of Jharkhand. Government of Jharkhand intends to improve over 1500 lane kilometres of road in the State of Jharkhand and has completed 627.16 Lane Km of Roads.

11. DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL:

None of the Directors have been appointed or resigned during the year.

In accordance with Section 152 of the Companies Act, 2013 Mr Sanjay Minglani, Director retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment

12. AUDITORS:

Messrs U Narain & Company, Chartered Accountants, Statutory Auditors, retires at the ensuing Annual General Meeting and has expressed their willingness to continue as Statutory Auditors, if re-appointed for the remaining period of 3 years as per the provisions of Companies Act, 2013.

13. DEPOSITS:

Your Company has not accepted any deposits from the public during the year

14. CORPORATE GOVERNANCE:

The Board of Directors of the Company was composed of the following Directors on 31st March 2016:

Director	Executive/ Non-executive	Category
Mr Suresh Chand Mittal	Non Executive	Director
Mr Sanjay Minglani	Non-executive	Director
Mr Vijay Kini	Non-executive	Director
Mr Milan Chakravarti	Non-executive	Independent Director
Mr Paresh Shah	Non-Executive	Independent Director
Ms Shruti Arora	Non-Executive	Independent Director
Mr Amit Garg	Executive	Manager cum Director

Attendance of Directors at Board Meetings held during the financial year 2015-16 and last AGM held on September 28, 2015:

Directors	No of Board Meetings Held during tenure	Attendance for Board Meetings	Attendance in Annual General Meeting
Mr Suresh Chand Mittal	4	4	No
Mr Sanjay Minglani	4	4	Yes

Mr Vijay Kini	4	4	No
Mr Milan Chakravarti	4	4	No
Mr Paresh Shah	4	4	No
Ms Shruti Arora	4	4	No
Mr Amit Garg	4	3	No

As on 31st March 2016, the Audit Committee comprised of Mr Milan Chakravarti, Mr Vijay Kini and Mr Paresh Shah. During the year under review, the Audit Committee met on April 28, 2015 for review of the financial statements for the year ended March 31, 2014. To review the Financial Statements for the quarters ended June 30, 2015, September 30, 2015 and December 31, 2015, the Audit Committee Meetings were held on July 20, 2015, October 20, 2015 and January 20, 2016 respectively.

As on 31st March 2016, the Nomination and Remuneration Committee comprised of Mr Milan Chakravarti, Mr Paresh Shah, Mr Sanjay Minglani and Mr Vijay Kini. During the year no meeting held of Nomination and Remuneration Committee

15. DIRECTOR'S RESPONSIBILITY STATEMENT:

Section 134 (5) of the Companies Act, 2013 requires that the Directors Report of the Company which shall be provided to the members of the Company as an attachment to the Financial Report shall include a statement by the Directors in connection with maintenance of books, records, preparation of Annual Accounts in conformity with the accepted accounting standards and past practices followed by the Company. Pursuant to the foregoing and on the basis of representations received from the Operating Management, and after due enquiry, it is confirmed 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) The Directors 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 profit or loss of the Company for that period;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on a going concern basis.
- (e) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

There has not been any income/earning and outgo of foreign exchange during the period under review. Since your Company does not own any manufacturing facility, the other particulars in the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable to it

17. ACKNOWLEDGEMENTS:

Your Company had excellent relationships with Government of Jharkhand, Central Government, Shareholders and Regulatory Authorities during the period under review. Your Directors are grateful for the support extended by them and look forward to receiving their continued support and encouragement

The proactive support and guidance extended by functionaries of Government of Jharkhand, Infrastructure Leasing & Financial Services Limited, Bank of India, Allahabad Bank and other members of the consortium of lenders and IL&FS Transportation Networks Limited and Jharkhand Accelerated Road Development Company Limited in implementation of the Project needs special acknowledgement by your Directors. Your Directors also wish to place on record their appreciation for the contributions made by employees at all level through their sincerity, hard work, competence and dedication

For and on behalf of the Board

Amit Garg
Manager cum Director

Sanjay Minglani
Director

Date:
Place:

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:- **U45200JH2009PLC013693**
- ii) Registration Date: **August 04, 2009**
- iii) Name of the Company:
Jharkhand Road Projects Implementation Company Limited
- iv) Category / Sub-Category of the Company: **Infrastructure**
- v) Address of the Registered Office and Contact Details:
1st Floor, 443/A, Road No.- 5, Ashok Nagar, Ranchi, Jharkhand 834002
- vi) Whether listed company : **No**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:
M/s Link in India Pvt. Limited, C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (West), Mumbai 4000078

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

SI. No.	Name and Description of main products / services	NIC Code of the product/ service	% to total turnover of the company
1	Construction of Roads	42101	100%
2			
2			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Si. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING /SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1.	IL&FS Transportation Networks Limited	L45203MH2000PLC129790	Holding	93.43	2 (43)
2	Infrastructure Leasing & Financial Services Ltd.	U65990MH1987PLC044571	Ultimate Holding	6.57	2 (43)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding :

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	170,49,940	242,48,000	25,94,98,000	100	170,49,940	242,448,000	25,94,98,000		
a) Bodies Corporate									
Sub-Total (A)-(1):-									
(2) Foreign									
a) NRIs									
Individ									
uals									
b) Other									
Individ									

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uals e) Bodies Corp. d) Banks FI e) Any Other... ... Sub-Total (A) (2):-									
Total Shareholdi ng of promoter (A) = (A) (1) +(A) (2)	170,4 9,940	242,4 48,00 0	25,94,98,0 00	100	170, 49,9 40	242, 448, 000	25,94,98,0 00	100	No
B. Public Shareholdi ng 1. Institutions a) State Govt (S) b) Venture Capital Funds e) —									

Insurance Companies									
d) FIs									
e) Foreign Venture Capital Funds									
f) Others (specify)									
Sub-Total (B) (1):-									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individuals shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh									
c) Others (specify)									
Sub-total (B) (2):-									
Total public Shareholding									
(B) = (B) (1)									

+ (B) (2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)									

(ii) Shareholding of promoters: As per Annexure A

SI. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in shareholding during the year
1								
2								
3								
	Total							

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SI.No.		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in promoters Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus / sweet equity etc):				
	At the End of the year	Nil	Nil	Nil	Nil

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SI. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the top 10 Shareholders				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus / sweet equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil

(v) Shareholding of Directors and Key Managerial Personnel: As Per Annexure B

Si. No		Shareholding at date beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer /				

	bonus / sweet equity etc				
	At the End of the year				

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: As per Annexure D

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year • Addition • Reduction				
Net Change				
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/ or Manager: As per Annexure C

Sl.No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (In Rs)
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961		

	(c) Profits in line of salary under section 17(3) Income-tax Act, 1961					
2.	Stock Option					
3.	Sweet Equity					
4.	Commission - as % of profit - others, specify					
5.	Others, please specify (Sitting Fees)					
	Total (A)					
	Ceiling as per the Act					

(B) Remuneration to other directors: **As per Annexure C**

Sl.No	Particulars of Remuneration	Name of Directors				Total Amount
		
	1. Independent Directors • Fee for attending board committee meeting • Commission • Others, please specify					
	Total (1)					
	2. Other Non Executive Directors • Fee for attending board committee meeting • Commission • Others, please specify					
	Total (3)					
	Total (B) = (1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

(C) REMUNERATION ON KEY MANAGERIAL PERSONNEL OTHER THAN MD/
MANAGER/WTD

Si. No.	Particulars of Remuneration	Key Managerial Personal			
		MD	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in line of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweet Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board

Amit Garg
Manager cum Director

Sanjay Minglani
Director

Date:

Place:

Annexure A**Shareholding Pattern as at March 31, 2016**

Sr No.	Name of the Shareholder	March 31, 2016	
		No of Shares Held	% Holding
1	IL&FS Transportation Networks Ltd.	242,448,000	93.43%
2	Infrastructure Leasing & Financial Services Ltd	170,49,940	06.57%
3	IL&FS and Mukund Sapre	10	-
4	IL&FS and Amit Garg	10	-
5	IL&FS and Manish Mishra	10	-
6	IL&FS and Sanjay Minglani	10	-
7	IL&FS and Manoj Agarwal	10	-
8	IL&FS and Harish Mathur	10	-
	Total	25,94,98,000	100%

For and on behalf of the Board**Amit Garg**
Manager cum Director**Sanjay Minglani**
Director**Date:****Place:**

Annexure B**List of Board of Directors and Key Managerial Person as on March 31, 2016
with their Shareholding**

S. No	Name	Designation	Shareholding
1	Sanjay Minglani	Director	10 Shares in Joint Shareholding with IL&FS
2	Mr S C Mittal	Director	-
3.	Mr Vijay Kini	Director	-
4.	Ms Shruti Arora	Director	-
5.	Mr Milan Chakravarti	Director Independent	-
6.	Mr Paresh Shah	Independent Director	
7.	Mr Amit Garg	Manager cum Director	10 Shares in Joint Shareholding with IL&FS

For and on behalf of the Board**Amit Garg**
Manager cum Director**Sanjay Minglani**
Director**Date:**
Place:

Annexure C**Details of Sitting Fees paid to Directors;**

S. No	Name of Directors	Board Meeting	Audit Committee
1.	Mr Sanjay Minglani	40,000	
2.	Mr Vijay Kini	40,000	40,000
3.	Mr S C Mittal	40,000	
3.	Mr Amit Garg	30,000	
4.	Mr Milan Chakravarti	40,000	40,000
5.	Mr Paresh Shah	40,000	40,000
6.	Ms Shruti Arora	40,000	

For and on behalf of the Board

Amit Garg
Manager cum Director

Sanjay Minglani
Director

Date:

Place:

Annexure D

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	161467,10,243	70520,00,000	-	231987,10,243
ii) Interest due but not paid	-	97,57,663		97,57,663
iii) Interest accrued but not due	586,73,027			586,73,027
Total (i+ii+iii)	162053,83,270	70617,57,663	-	232671,40,933
				-
Change in Indebtedness during the financial year				
· Addition	897,80,000	142950,56,661	-	143848,36,661
· Reduction	9993,22,000	137197,70,947	-	147190,92,947
	-			-
Net Change	9095,42,000	5752,85,714	-	3342,56,286
Indebtedness at the end of the financial year				
i) Principal Amount	152371,68,243	76272,85,714	-	228644,53,957
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1178,17,840	-	-	1178,17,840
Total (i+ii+iii)	153549,86,083	76272,85,714	-	229822,71,797

For and on behalf of the Board

Amit Garg
Manager cum Director

Sanjay Minglani
Director

Date:
Place:

DECLARATION

April 1, 2016

The Board of Directors

Jharkhand Road Projects Implementation Company Limited

443 A, Road No. 5, Ashok Nagar

Ranchi, Jharkhand - 834002

Dear Sirs:

In terms of the provisions of Section 149 of the Companies Act, 2013 ("the Act"), I hereby confirm that I meet the criteria of independence as laid down in the Act and am qualified to be an Independent Director of Jharkhand Road Projects Implementation Company Limited (hereinafter referred to as "the Company").

Without prejudice to the generality of the first paragraph, I hereby certify, undertake and confirm each of the following:

- (1) I am not and was not a promoter of the Company, its holding company, its subsidiary or associate company;
- (2) I am not related to promoters or directors of the Company, its holding company, its subsidiary or associate company; or persons occupying management positions at the board level or at one level below the board of the Company;
- (3) Apart from receiving director's remuneration, I neither have nor have had any pecuniary relationships or transactions with the Company, its holding company, its subsidiary or associate company or its promoters or directors during the two immediately preceding financial years or during the current financial year;
- (4) None of my relatives has or have had any pecuniary relationship or transaction with the Company, its holding company, its subsidiary or associate company or its promoters, or directors, of an amount of two percent or more of its gross turnover or total income or earned an income of ₹ 50 Lakhs, during the two immediately preceding financial years or during the current financial year;
- (5) Neither I nor any of my relatives -
 - (a) hold or have held the position of key managerial personnel or been an employee of the Company or its holding company, its subsidiary or associate company in any of the three immediately preceding financial years;
 - (b) is or has been an employee or proprietor or a partner, in any of the three immediately preceding financial years of -



- a. a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding company, its subsidiary or associate company; or
 - b. any legal or a consulting firm that has or had any transaction with the Company, its holding company or its subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
- (6) I myself, or jointly with my relatives do not hold two percent or more of the total voting power of the Company;
- (7) Neither I, nor any of my relatives is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding company, its subsidiary or associate company or that holds two per cent or more of the total voting power of the company

I hereby undertake that I shall immediately inform the Company in case at any time I cease to satisfy any of the criteria of Independent Director as defined in Section 149 of the Companies Act, 2013

Yours sincerely



Name: Milan Chakravarti
DIN: 07104909

DECLARATION

April 1, 2016

The Board of Directors

Jharkhand Road Projects Implementation Company Limited

443A, Road No. 5,

Ashok Nagar, Ranchi,

Jharkhand- 834002

Dear Sirs:

In terms of the provisions of Section 149 of the Companies Act, 2013 ("the Act"), I hereby confirm that I meet the criteria of independence as laid down in the Act and am qualified to be an Independent Director of Jharkhand Road Projects Implementation Company Limited (hereinafter referred to as "the Company").

Without prejudice to the generality of the first paragraph, I hereby certify, undertake and confirm each of the following:

- (1) I am not and was not a promoter of the Company, its holding company, its subsidiary or associate company;
- (2) I am not related to promoters or directors of the Company, its holding company, its subsidiary or associate company; or persons occupying management positions at the board level or at one level below the board of the Company;
- (3) Apart from receiving director's remuneration, I neither have nor have had any pecuniary relationships or transactions with the Company, its holding company, its subsidiary or associate company or its promoters or directors during the two immediately preceding financial years or during the current financial year;
- (4) None of my relatives has or have had any pecuniary relationship or transaction with the Company, its holding company, its subsidiary or associate company or its promoters, or directors, of an amount of two percent or more of its gross turnover or total income or earned an income of ₹ 50 Lakhs, during the two immediately preceding financial years or during the current financial year;
- (5) Neither I nor any of my relatives -
 - (a) hold or have held the position of key managerial personnel or been an employee of the Company or its holding company, its subsidiary or associate company in any of the three immediately preceding financial years;

- (b) is or has been an employee or proprietor or a partner, in any of the three immediately preceding financial years of –
- a. a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding company, its subsidiary or associate company; or
 - b. any legal or a consulting firm that has or had any transaction with the Company, its holding company or its subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
- (6) I myself, or jointly with my relatives do not hold two percent or more of the total voting power of the Company;
- (7) Neither I, nor any of my relatives is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding company, its subsidiary or associate company or that holds two per cent or more of the total voting power of the company

I hereby undertake that I shall immediately inform the Company in case at any time I cease to satisfy any of the criteria of Independent Director as defined in Section 149 of the Companies Act, 2013

Yours sincerely



Name: Paresh Shah

DIN: 00390117



SATISH KUMAR & ASSOCIATES

(COMPANY SECRETARIES)

SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Jharkhand Road Projects Implementation Company
Limited
443A, Road No. 5, Ashok Nagar,
Ranchi – 834002, Jharkhand

Satish Kumar & Associates

Company Secretaries

Flat No. 201, 2nd Floor, Urmila Apartment,
Uddhav Babu Lane, Tharpakhna,
Ranchi- 834001

Ph:- 09334606570/0651-2212943/0651-6571423

E-Mail:-

cssatish26@gmail.com/csservices26@gmail.com

PAN:-BGOPK8640M

ST:-BGOPK8640MSD001

We have examined the registers, records, books and papers of M/s **Jharkhand Road Projects Implementation Company Limited** (“the Company”) for the Financial Year ended on 31st March, 2016 according to the provisions of:

1. The Companies Act, 2013 and the Rules made there under.
2. Secretarial Standards issued by the Institute of Company Secretaries of India.
3. Contract Labour (Regulation and Abolition) Act, 1970.
4. The Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and all other applicable Labour Laws.
5. Other Acts and Laws as applicable on the Company.

- I.** In our opinion, based on the examination carried out by us, verification of records produced to us and according to the information furnished to us by the Company and Officers, the Company has complied with the provisions of the Companies Act, 2013 (“the Act”) and Rules made under the Act, the Memorandum and Articles of association of the Company, subject to the provisions as stated specifically herein; and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. Maintenance of various statutory registers and documents and making necessary entries therein.
2. Form of Balance Sheet as prescribed under Part I, form of Statement of Profit and Loss as prescribed under Part II and general instructions

URMILA APARTMENT, FLAT NO. 201, 2ND FLOOR, UDDHAV BABU LANE
NEAR ST. ANNE’S GIRLS HIGH SCHOOL, THARPAKHNA, RANCHI, JHARKHAND
Contact No: 0651 – 2212943, 09334606570. Email id: cssatish26@gmail.com, csservices26@gmail.com





SATISH KUMAR & ASSOCIATES

(COMPANY SECRETARIES)

for preparation of the same as prescribed in Schedule III to the Act.

3. Composition of the Board of Directors with an adequate balance of Executive and Non-Executive, Independent Directors during the period under review.
4. Registered Office and publication of the name of the Company.
5. Filing of requisite forms and returns with the Registrar of Companies, Jharkhand within the time prescribed under the Act and the rules framed there under.
6. Convening and holding of the Meetings of Board of Directors and Committees thereof.
7. Convening and holding of 6th Annual General Meeting of the Members on Monday, 28th September, 2015.
8. Maintenance of Minutes of the proceedings of the Annual General Meeting, Extra-ordinary General Meeting, Board Meetings and Meetings of Committees of the Board, properly recorded in loose leaf form, which are being bound in a book form at regular intervals.
9. Payment of Remuneration to Directors.
10. Appointment and Remuneration of Statutory Auditors, Internal Auditors and Cost Auditors.
11. Composition and terms of reference of the Audit Committee and Nomination & Remuneration Committee.
12. Service of Documents by the Company on its Members and Auditors.
13. Undertaking of all the compliances with regard to filling of the various Statutory Returns, maintenance of Registers of Contractors, etc as prescribed under Contract Labour (Regulation

and Abolition) Act, 1970, The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and all other applicable Labour Laws.

II. We further report that

1. The Directors have disclosed their Shareholdings and Directorships in other companies and interests in other entities as and when required and their interests have been noted and recorded by the Board.
2. The Directors have complied with the disclosure requirements in respect of their eligibility of appointments, their being independent and compliance with the Code of Conduct of Directors and Senior Management Personnel.
3. There was no prosecution initiated and no fines or penalties were imposed on the Company, its Directors and Officers, during the period under review.

MANAGEMENT'S RESPONSIBILITY

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed by us provide a reasonable basis to form our opinion.

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SATISH KUMAR & ASSOCIATES

(COMPANY SECRETARIES)

3. We have examined the financial records in line of the compliances of the Companies Act.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations, happening of events, etc.
5. The compliance of the provisions of Corporate Governance and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

➤ Other Remarks which need immediate attention are reported as under:-

1. *The Company has duly complied with the provisions of the Companies Act and the Rules made there under, except the provisions for appointment of a Whole-time Company Secretary in the Company. The Company has issued advertisements regarding vacancy for the post of Company Secretary through its Head Office and an advertisement in this regard will soon be issued in Ranchi.*

For **Satish Kumar & Associates**

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the observations as follows:

Place: **Ranchi**

Date: **21st June, 2016**


Satish Kumar
Company Secretary
FCS No.: 8423
C.P. No.: 9788



URMILA APARTMENT, FLAT NO. 201, 2ND FLOOR, UDDHAV BABU LANE
NEAR ST. ANNE'S GIRLS HIGH SCHOOL, THARPAKHNA, RANCHI, JHARKHAND
Contact No: 0651 – 2212943, 09334606570. Email id: cssatish26@gmail.com, csservices26@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of

JHARKHAND ROAD PROJECTS IMPLEMENTATION CO. LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Jharkhand Road Projects Implementation Company Limited ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the 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 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flow 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. 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.

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 31 March 2016 and its loss and its cash flows 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") 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 the paragraph 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 purposes of our audit.
 - (b) in our opinion proper books of accounts 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 the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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”, and
- (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. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 17 to the financial statements;
 - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. the Company does not have any amount required to be transferred to Investor Education and Protection Fund.

For U. Narain & Co.
Chartered Accountants
Firm’s registration number: 000935C

Ajoy Chhabra
Partner
Membership number: 071431

Ranchi



Annexure – A to the Auditor's Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified every year and no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable properties. Accordingly paragraph 3(i)(c) of the order is not applicable.
- (ii) The Company did not have any physical inventory. Thus paragraph 3(ii) of the order is not applicable.
- (iii) The Company has not granted loans to any corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly paragraph 3 (iii) of the order is not applicable to the Company.
- (iv) The Company has not given any loans, investment, guarantees, security within the preview of Section 185 and 186 of the Act. Thus paragraph 3(iv) of the order is not applicable.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Companies Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including income-tax, value added tax, service tax and other material statutory dues as applicable have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, duty of excise, provident fund, sales tax, duty of custom's and cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, value added tax, service tax and other material statutory dues were in arrears as at 31 March 2016 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 material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has not defaulted in repayment of any loans or borrowings from financial institution and banks. The Company does not have any loans or borrowings from government or debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The Company did raise term loans during the year and according to information and explanation given to us on an overall basis, the term loans have been applied for the purpose for which they were obtained.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, no managerial remuneration within the preview of Section 197 was paid during the year. Thus paragraph 3 (xi) of the order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

U. NARAIN & CO.
CHARTERED ACCOUNTANTS

301, COMMERCE TOWER,
Opp. G.E.L. Church Complex,
Main Road, Ranchi – 834 001.
PH. NO. : 0651-2330305, 2331814
Fax No. 0651-2330305
Mobile – 9431115338
E-mail : unarainco_ac@yahoo.com

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For U. Narain & Co.
Chartered Accountants
Firm's registration number: 000935C

Ajoy Chhabra
Partner
Membership number: 071431

Ranchi



Annexure – B to the Auditors' Report

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 Jharkhand Road Projects Implementation Company Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 judgment, 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 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 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For U. Narain & Co.
Chartered Accountants
Firm's registration number: 000935C

Ajoy Chhabra
Partner
Membership number: 071431
Ranchi,



JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED

Balance Sheet as at March 31, 2016

Particulars		Note	As At March 31, 2016		As At March 31, 2015	
I	EQUITY AND LIABILITIES					
1	SHAREHOLDERS' FUNDS					
	(a) Share capital	2	2,59,49,80,000		2,59,49,80,000	
	(b) Reserves and surplus	3	(3,18,28,14,685)	(58,78,34,685)	(2,03,76,65,666)	55,73,14,134
2	NON-CURRENT LIABILITIES					
	(a) Long-term borrowings	4	20,00,35,77,671		18,93,11,50,566	
	(b) Deferred tax liabilities (Net)	7	-		-	
	(c) Other long term liabilities	8	11,30,95,847	20,11,66,73,518	5,47,38,935	18,98,58,89,501
3	CURRENT LIABILITIES					
	(a) Current maturities of long-term debt	5	1,36,08,76,286		1,43,80,59,677	
	(b) Short-term borrowings	6	1,50,00,00,000		2,82,95,00,000	
	(c) Trade payables	9	12,21,87,061		36,79,09,712	
	(d) Other current liabilities	10	71,02,391	2,99,01,65,738	1,66,86,537	4,65,21,55,926
	TOTAL			22,51,90,04,571		24,19,53,59,561
II	ASSETS					
1	NON CURRENT ASSETS					
	(a) Fixed assets	11				
	(i) Tangible assets		18,99,29,62,817		21,59,94,83,699	
	(ii) Intangible assets		5		6,374	
	(iii) Capital work-in-progress		76,68,94,011	19,75,98,56,833	68,51,84,341	22,28,46,74,414
	(b) Deferred tax assets (Net)	7	-		-	
	(c) Long-term loans and advances	12	12,85,520		12,61,520	
	(d) Other non-current assets	14	2,43,57,888	2,56,43,408	3,62,68,314	3,75,29,834
2	CURRENT ASSETS					
	(a) Cash and bank balances	16	72,44,89,386		93,63,19,489	
	(b) Short-term loans and advances	13	8,14,50,761		5,35,31,959	
	(c) Other current assets	15	1,92,75,64,183	2,73,35,04,330	88,33,03,865	1,87,31,55,313
	TOTAL			22,51,90,04,571		24,19,53,59,561

Notes 1 to 31 form part of the financial statements.

In terms of our report even date attached.
For U.Narain & CO.
Chartered Accountants
Firm Registration No: 000935C

For and on behalf of the Board

Director

Director

Ajoy Chhabra
Partner
Membership No.071431

Manager

Chief Financial Officer

Place:
Date:

Place:
Date:



JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED

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

	Particulars	Note	Year ended March 31, 2016	Year ended March 31, 2015
I	Revenue from operations	18	3,49,03,78,056	2,95,08,47,018
II	Other income	19	6,10,01,427	2,69,00,628
III	Total revenue (I + II)		3,55,13,79,483	2,97,77,47,646
IV	Expenses			
	Operating expenses	20	19,21,19,161	15,86,43,313
	Employee benefit expenses	21	27,55,483	23,12,079
	Finance costs	22	2,88,24,53,967	2,50,00,37,598
	Administrative and general expenses	23	6,60,10,950	3,80,95,430
	Depreciation and amortization expense	11	1,55,31,88,742	1,41,26,96,208
	Total expenses		4,69,65,28,303	4,11,17,84,628
V	Profit before taxation (VII-VIII)		(1,14,51,48,820)	(1,13,40,36,982)
VI	Tax expense:			
	(1) Current tax		-	-
	(2) Tax provision relating to earlier period not required		-	(3,87,310)
	(3) Deferred tax		-	-
	Total tax expenses (VI)		-	(3,87,310)
VII	Profit for the period (V-VI)		(1,14,51,48,820)	(1,13,36,49,672)
	Earnings per equity share (Face value per share Rupees 10/-):	24		
	(1) Basic		(4.41)	(4.37)
	(2) Diluted		(4.41)	(4.37)

Notes 1 to 31 form part of the financial statements.

In terms of our report even date attached.

For U.Narain & CO.

Chartered Accountants

Firm Registration No: 000935C

For and on behalf of the Board

Director

Director

Ajoy Chhabra
Partner
Membership No. 071431

Manager

Chief Financial Officer

Place:

Place:

Date:

Date:

JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED

Cash Flow Statement for the year ended March 31, 2016

	Year ended March 31, 2016	Year ended March 31, 2015
Cash Flow from Operating Activities		
Profit Before Tax, Minority Interest and Share of Associates	(1,14,51,48,820)	(1,13,40,36,982)
Adjustments for :-		
Depreciation	1,55,31,88,742	1,41,26,96,208
Interest and finance charges	2,88,24,53,967	2,50,15,97,915
Interest on Term Deposit	(6,08,73,788)	(2,68,57,355)
Operating Profit before Working Capital Changes	3,22,96,20,101	2,75,33,99,786
Adjustments for changes in working capital:		
(Increase) / Decrease in Current Assets, Non Current Assets & Trade Receivable	(1,03,22,27,894)	(39,12,96,627)
Increase / (Decrease) in Current Liabilities, Non Current Liabilities & Trade Payable	(24,63,37,035)	(64,94,45,606)
Cash Generated from Operating Activities	1,95,10,55,172	1,71,26,57,553
Direct Taxes received / paid (Net)	(2,57,59,415)	(5,11,99,686)
Net Cash generated / (used In) from Operating Activity (A)	1,92,52,95,757	1,66,14,57,867
Cash flow from Investing Activities		
Fixed Assets addition during the period	1,05,33,38,509	(9,65,61,46,871)
(Increase) / Decrease in Capital Work in Progress	(8,17,09,670)	9,17,55,94,390
Interest received on Term Deposit	5,85,68,404	2,18,89,819
Term Deposit placed against DSRA	(16,48,23,748)	(24,85,25,491)
Net Cash (used In) / generated from Investing Activities (B)	86,53,73,495	(70,71,88,153)
Cash flow from Financing Activities		
Proceeds from Secured Loans	(90,95,42,000)	8,27,82,010
Proceeds from Unsecured Loans	57,52,85,714	1,89,70,00,000
Interest and finance charges	(2,83,30,66,817)	(2,74,24,40,609)
Net Cash (used In) / generated from Financing Activities (C)	(3,16,73,23,103)	(76,26,58,599)
Net (Decrease) / Increase in Cash & Cash Equivalents (A+B+C)	(37,66,53,851)	19,16,11,115
Cash and Cash Equivalent at the beginning of the year	68,77,93,998	49,61,82,883
Cash and Cash Equivalent at the end of the year	31,11,40,147	68,77,93,998
Net (Decrease) / Increase in Cash & Cash Equivalents	(37,66,53,851)	19,16,11,115
Notes:		
Components of Cash & Cash Equivalent		
Cash in Hand	1,17,253	43,969
Balance with Scheduled Banks - Current Accounts	4,55,19,893	7,35,95,507
Balance with Scheduled Banks - Deposit Accounts	26,55,03,001	61,41,54,522
	31,11,40,147	68,77,93,998
Bank balances held as margin money or as security against borrowings	41,33,49,239	24,85,25,491
Cash and Bank Balance (Note 16)	72,44,89,386	93,63,19,489

Notes 1 to 31 form part of the financial statements.

In terms of our report even date attached.

For U.Narain & CO.

Chartered Accountants

Firm Registration No: 000935C

For and on behalf of the Board

Director

Director

Ajoy Chhabra

Partner

Membership No. 071431

Manager

Chief Financial Officer

Place:

Place:

Date:

Date:

JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 1 - Significant Accounting Policies

I Basis of preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous period / year.

II Use of estimates

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including current liabilities) as of the date of the financial statements, the reported income and expenses during the reporting period and disclosure of contingent liabilities. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

III Revenue recognition

Every Concession Agreement envisages Revenue in the form of Annuities on pre-determined dates (not more than twice a year). The Annuity payment starts accruing to the Company, six month after the Commercial Operation Date ("COD") of the project. Interest income on fixed deposits is accounted on accrual basis.

IV Claims

- (i) Claims raised on the Authority under the Concession agreements for amounts identified as the liability of the Authority are recognized in the financial statements when:
- Claims have been filed with the concerned authority backed by confirmation from independent legal and technical experts on the tenability and probability of acceptance of such claims; and
 - the amount that is realizable can be measured reliably
- (ii) Depending on the progress made at various levels of Authorities involved, the quantum of Claim to be accounted for in the books of respective entity would be as under:

Description	Quantum of claim to be recognized in the books*
Independent Engineer and Authority have accepted claim	100%
Extension of Time ("EOT") received but Authority has rejected	50%
EOT not received	0%

*The above % however would be subject to an overall probability of acceptance of claims as certified by independent technical & legal experts

V Fixed Assets and Depreciation

a Tangible fixed assets and depreciation

Tangible fixed assets acquired by the SPV are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition cost includes the purchase price (excluding refundable taxes) and expenses, such as delivery and handling costs, installation, legal services and consultancy services, directly attributable to bringing the asset to the site and in working condition for its intended use.

Where the construction or development of any asset requiring a substantial period of time to set up for its intended use is funded by borrowings, the corresponding borrowing costs are capitalised up to the date when the asset is ready for its intended use.

Depreciation on tangible fixed assets is computed as under:

All assets are depreciated on a Straight Line Method (SLM) of Depreciation, over the useful life of assets as prescribed under Schedule II of the Companies Act 2013 other than assets specified in para below

Following assets are depreciated over a useful life which is shorter than the life prescribed under Schedule II of the Companies Act 2013 based on internal technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes etc.

- a) Data Processing Equipment – Server and Networking equipment are depreciated over a period of 4 years
- b) Mobile Phones and Ipad / Tablets are fully depreciated in the year of purchase
- c) Specialised office equipment's are depreciated on Straight Line Method over a period of three years
- d) Vehicles are depreciated on Straight Line Method over a period of five years
- e) Assets provided to employees are depreciated on Straight Line Method over a period of three years
- f) All categories of assets costing less than ₹ 5,000 each are fully depreciated in the year of purchase.

The residual value of all the assets is retained at ₹ 1/- each

b Intangible assets and amortisation

Intangible assets, other than those covered by SCAs, comprise of software. Intangible assets are reported at acquisition cost with deductions for accumulated amortisation and impairment losses, if any.

Acquired intangible assets are reported separately from goodwill if they fulfil the criteria for qualifying as an asset, implying they can be separated or they are based on contractual or other legal rights and that their market value can be established in a reliable manner.

An impairment test of such intangible assets is conducted annually or more often if there is an indication of a decrease in value. The impairment loss, if any, is reported in the Statement of Profit and Loss.

Intangible assets, other than those covered by SCAs, are amortised on a "straight line" basis over their estimated useful lives. The estimated useful life of software is four years.

VI 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 recognized, 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.

VII Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is estimated at the expected selling price less estimated selling costs.

Costs for trading goods are determined using the annual weighted average principle and includes purchase price and non-refundable taxes

Cost of raw material includes purchase price and non-refundable taxes.

Cost of manufactured goods include direct and indirect cost.

Inventories of electronic cards (prepaid cards) and on-board units are valued at the lower of cost and net realisable value. Cost is determined on first-in-first-out basis.

VIII Investments

Investments held by the Company which are long term in nature are stated at cost unless there is any permanent diminution in value. Any permanent diminution in value of such investments will be met from Reserves. Short term investments are valued at cost or market price whichever is lower. Earnings on investments are accounted for on accrual basis

IX Employee Benefits

Short term employee benefits are recognised as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company.

X Borrowing Cost

Borrowing costs attributable to construction of the road are included under "Capital Work in Progress" and the same will be capitalised once the road is ready for the Commercial Operations. Other borrowing costs are recognized as expenses in the year in which they arise.

XI Taxes on Income

Taxes include taxes on income, adjustment attributable to earlier periods and changes in deferred taxes. Taxes are determined in accordance with enacted tax regulations and tax rates in force and in the case of deferred taxes at rates that have been substantively enacted.

Deferred tax is calculated to correspond to the tax effect arising when final tax is determined. Deferred tax corresponds to the net effect of tax on all timing differences, which occur as a result of items being allowed for income tax purposes during a period different from when they were recognized in the financial statements.

Deferred tax assets are recognised with regard to all deductible timing differences to the extent that it is probable that taxable profit will be available against which deductible timing differences can be utilised. When the Group's entities carry forward unused tax losses and unabsorbed depreciation, deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced by the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or a part of the aggregate deferred tax asset to be utilised.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax in the future period. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associates with it will flow to the Company.

XII Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes to the financial statement. A contingent asset is neither recognised nor disclosed.

XIII Segment Reporting

Segment revenues, expenses, assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the Segment.

Revenue, expenses, assets and liabilities, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, are included under "Unallocated Revenue/Expenses/Assets/Liabilities".

XIV Earnings per Share

Basic earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares in issue during the year.

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

XV Cash and Cash Equivalents

Cash comprises of Cash on Hand, Cheques on Hand and demand deposits with Banks. Cash Equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of changes in value.

XVI Cash Flow Statements

The Cash Flow Statement is prepared in accordance with "indirect method" as explained in the Accounting Standard (AS) 3 on "Cash Flow Statements".

XVII Current / Non Current Assets and Liabilities

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

- a) It is expected to be realized within 12 months after the reporting date,
- b) 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

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

All other liabilities are classified as Non-current

JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 2: Share capital

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number	₹	Number	₹
Authorised				
Equity Shares of Rupees 10/- each	27,00,00,000	2,70,00,00,000	27,00,00,000	2,70,00,00,000
Issued				
Equity Shares of Rupees 10/- each	25,94,98,000	2,59,49,80,000	25,94,98,000	2,59,49,80,000
Subscribed and Paid up				
Equity Shares of Rupees 10/- each fully paid (refer foot note no. i, ii, and iii)	25,94,98,000	2,59,49,80,000	25,94,98,000	2,59,49,80,000
Total	25,94,98,000	2,59,49,80,000	25,94,98,000	2,59,49,80,000

Foot Notes:

i. 24,24,48,000 (Previous Year 24,24,48,000) shares are held by IL&FS Transportation Networks Limited, the holding Company and 1,70,50,000 (Previous Year 1,70,50,000) shares are held by Infrastructure Leasing and Financial Services Limited and its nominees , the ultimate holding company and its nominees.

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

Particulars	As at March 31, 2016		As at March 31, 2015	
	Equity Shares		Equity Shares	
	No. of Shares	₹	No. of Shares	₹
Shares outstanding at the beginning of the year	25,94,98,000	2,59,49,80,000	25,94,98,000	2,59,49,80,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	25,94,98,000	2,59,49,80,000	25,94,98,000	2,59,49,80,000

III.Shareholding more than 5% shares

Name of Shareholder	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of total holding	No. of Shares held	% of total holding
Infrastructure Leasing and Financial Services Limited and its nominees	1,70,50,000	6.57%	1,70,50,000	6.57%
IL&FS Transportation Networks Limited	24,24,48,000	93.43%	24,24,48,000	93.43%
Total	25,94,98,000	100.00%	25,94,98,000	100.00%

Note 3: Reserves and Surplus

Particulars	As at March 31, 2016		As at March 31, 2015	
Profit / (Loss) Surplus				
Opening balance	(2,03,76,65,865)		(90,40,01,121)	
(+) (Loss) / Profit for the year	(1,14,51,48,820)		(1,13,36,49,672)	
(-) Adjustment for change in Depreciation policy	-	(3,18,28,14,685)	(15,073)	(2,03,76,65,866)
Total		(3,18,28,14,685)		(2,03,76,65,866)

JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 4: Long-term borrowings

Particulars	As at March 31, 2016		As at March 31, 2015	
Term Loans				
(i) Secured				
From banks (refer foot note no. i,ii,iii)	12,56,48,06,243		13,55,43,07,709	
From financial institutions (Secured by Second pari passu charge), (refer foot note no. v)	1,13,86,00,000		1,13,86,00,000	
From Related Party (Secured by Second pari passu charge) (refer foot note no. vi (1))	45,86,00,000	14,16,20,06,243	45,86,00,000	15,15,15,07,709
(ii) Unsecured				
From banks (refer foot note no. iv)	42,85,71,428		71,42,85,714	
From financial institutions	-		39,28,57,143	
From Related Party (refer foot note no. vi (2)(3)(4))	5,41,30,00,000	5,84,15,71,428	2,67,25,00,000	3,77,96,42,857
Total		20,00,35,77,671		18,93,11,50,566

Foot Notes:

(i) Secured By:

- Hypothecation of all movable, tangible and intangible assets, Receivables, Cash and Investments created as a part of the Project other than the project Assets.
- Monies lying in the Escrow Account into which all the investments in the Project and all Project revenues and Insurance proceeds are to be deposited.
- Assignment of all the rights, title, benefits, claims and demands of the Company under the Project Agreements .
- Assignment of all the rights under Project Guarantees obtained pursuant to Construction , service and Operations Contract, if any, relating to the Project.
- First ranking assignment of all contracts, documents, insurance, clearances and interests of the Company with respect to the Project.
- Assignment of debts service reserve account if any
- Assignment of all rights and benefits in the Letter of credit provided by GOJ to the Company towards one Annuity payment amount as per provision of Concession Agreement.

(ii) Terms of Repayment of Term Loan

- In case of Ranchi Ring Road , Ranchi Patratu Dam Raod and Patratu Dam ramgarh Road project the Term Loans shall be repaid in 45 quarterly unequal installments from the end of the moratorium period.
- In case of Adityapur Kandra Road project the Term Loans shall be repaid in 44 quarterly unequal installments commencing 6 months from COD from the end of the moratorium period.
- In case of Chaibasa Kandra Road project the Term Loans shall be repaid in 48 quarterly unequal installments commencing 6 months from COD from the end of the moratorium period.
- Any senior lenders may, in suitable circumstances, at the request of the Borrower and subject to consent of the other senior lenders revise or vary the repayment schedule or postpone the payment of any specific repayment installment(s) or part thereof, upon such terms and conditions shall form a part of this agreement as an amendment to repayment schedule hereto.
- If for any reason the amount finally disbursed by the senior lenders is less than the total commitments, the repayment installments shall stand reduced proportionately but shall be paid on the repayment dates as set out in the repayment schedule.
- In the event of any default in the payment of the repayment installments of principal, interest and default interest, postponement, if any, allowed by any of the senior lenders shall be at the rate of interest as may be stipulated by the concerned senior lenders at the time of postponement.

(iii) Repayment Schedule of Term Loan from Banks

Repayment schedule as per outstanding as on March 31, 2016

F.Y. Ending	₹
2017	1075162000
2018	1261585800
2019	1334565650
2020	1519399550
2021	1641923600
2022	1667533600
2023	1915677490
2024	2008485687
2025	524796970
2026	345771000
2027	345066896
Total	13639968243

(iv) **Terms of Repayment of unsecured loan taken from bank**

- (a) The Tenor of the Loan is 5 year from the date of first drawdown of the facility.
(b) The Loan shall be repaid in 7 equal half yearly installments starting from the 24th month from the date of first disbursement.

(v) **Terms of Repayment of loan taken from financial institutions**

- (a) The Loan shall be repaid after the entire Term Loan from bank is repaid.
(b) The Loan shall be repaid in quarterly installments as per agreement

(vi) **Terms of Repayment of loan taken from related parties**

(1) Term Loan - Secured ₹ 45,86,00,000/-

- (a) The Loan is from IL&FS Transportation Networks Limited (ITNL), the holding company
(b) The Loan from IL&FS Transportation Networks Limited, shall be repaid after the entire Term Loan from bank is repaid.
(c) The Loan shall be repaid in quarterly installments as per agreement

(2) Term Loan - Unsecured ₹ 89,25,00,000/-

- (a) The Loan is from IL&FS Transportation Networks Limited (ITNL), the holding company
(b) The Loan from IL&FS Transportation Networks Limited, shall be repaid after the entire Term Loan from bank is repaid.
(c) The Loan shall be repaid in quarterly installments as per agreement

(3) Term Loan- Unsecured ₹ 1,18,55,00,000/-

- (a) The Loan is from IL&FS Transportation Networks Limited (ITNL), the holding company
(b) The Tenor of the Loan is 3 year from the date of first drawdown of the facility.
(c) Bullet repayment at the end of the tenor of the facility

(4) Term Loan- Unsecured ₹ 3,33,50,00,000/-

- (a) The Loan is from IL&FS Financial Services Limited (IFIN), the fellow subsidiary company
(b) The Tenor of the Loan is 3 year from the date of first drawdown of the facility.
(c) Bullet repayment at the end of the tenor of the facility

Note 5: Current maturities of long-term debt

Particulars	As at March 31, 2016		As at March 31, 2015	
Term Loans				
(i) Secured				
From banks	1,07,51,62,000	1,07,51,62,000	99,52,02,534	99,52,02,534
From financial institutions				
(ii) Unsecured				
From banks	28,57,14,286	28,57,14,286	28,57,14,286	44,28,57,143
From financial institutions			15,71,42,857	
Total		1,36,08,76,286		1,43,80,59,677

Note 6: Short-term borrowings

Particulars	As at March 31, 2016		As at March 31, 2015	
Loans repayable on demand				
Unsecured				
From banks	1,50,00,00,000	1,50,00,00,000	2,82,95,00,000	2,82,95,00,000
From Related Party				
Total		1,50,00,00,000		2,82,95,00,000

JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 7: Deferred tax liabilities (Net) and Deferred tax assets (Net)

In terms of accounting standards – 22 issued by Institute of Chartered Accountants of India in respect of "Accounting for Taxes on Income" the Company as a matter of prudence has not recognised the net deferred tax assets as on 31/03/16.

a) A breakdown of the components of deferred tax liabilities is furnished below:

Particulars	As at March 31, 2016	Movement	As at March 31, 2015
Liabilities:			
Timing differences in respect of construction margin	-	-	-
Timing differences in respect of depreciation	-	-	-
Assets:			
Timing differences in respect of depreciation	-	-	-
Timing differences in respect of employee benefits	-	-	-
Timing differences in respect of unabsorbed depreciation	-	-	-
Timing differences in respect of unabsorbed losses	-	-	-
Timing differences in respect of provision for doubtful debts	-	-	-
Timing differences in respect of provision for overlay	-	-	-
Net deferred tax liability	-	-	-

b) A breakdown of the components of deferred tax assets is furnished below:

Particulars	As at March 31, 2016	Movement	As at March 31, 2015
Liabilities:			
Timing differences in respect of construction margin	-	-	-
Timing differences in respect of depreciation	-	-	-
Assets:			
Timing differences in respect of depreciation	-	-	-
Timing differences in respect of employee benefits	-	-	-
Net deferred tax asset	-	-	-



JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 8: Other long term liabilities

Particulars	As at March 31, 2016		As at March 31, 2015	
Others				
Interest accrued but not due on borrowings				
-Related parties	11,30,95,847	11,30,95,847	5,47,38,935	5,47,38,935
Total		11,30,95,847		5,47,38,935

Note 9: Trade Payables

Particulars	As at March 31, 2016		As at March 31, 2015	
Trade Payables (refer foot note no. I)				
- Related parties	69,408		13,57,14,238	
- Others	12,21,17,653	12,21,87,061	23,21,95,474	36,79,09,712
Total		12,21,87,061		36,79,09,712

Footnote:

(i) According to the records available with the Company, there were no dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the end of the year with the interest paid / payable as required under the said Act have not been given.

Note 10: Other current liabilities

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Interest accrued but not due on borrowings - from bank	47,21,993		39,34,092	
(b) Interest accrued and due on borrowings				
- From related parties	-		37,65,206	
- From others	-		59,92,457	
(c) Statutory dues	23,80,398	71,02,391	29,94,782	1,66,86,537
Total		71,02,391		1,66,86,537

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JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 11: Fixed assets

Particulars	Gross block				Accumulated depreciation			Net block	
	Balance as at April 01, 2015	Opening adjustments	Additions	Deletions	Balance as at March 31, 2016	Deletions	Balance as at March 31, 2016	Balance as at March 31, 2016	Balance as at March 31, 2015
a) Tangible assets									
Roads and bridges (refer note 2)	24,39,13,06,023	-	(1,05,35,51,403)	-	23,32,77,54,620	-	2,78,31,65,171	18,99,19,69,668	21,59,81,40,852
Data processing equipments	8,42,830	-	1,06,350	-	9,49,180	-	5,84,848	2,07,596	2,57,982
Office equipments	14,44,214	-	75,288	-	15,19,502	-	8,95,327	3,25,738	5,48,887
Furniture and fixtures	8,31,549	-	31,256	-	8,62,805	-	2,95,571	4,59,815	5,35,978
Total	24,39,44,24,616	-	(1,05,33,38,809)	-	23,33,10,85,807	-	4,33,81,23,290	18,99,29,62,817	21,55,94,83,699
b) Intangible assets									
Software / Licences	97,690	-	-	-	97,690	-	91,316	5	6,374
Total	97,690	-	-	-	97,690	-	91,316	5	6,374
Grand total	24,39,45,22,306	-	(1,05,33,38,809)	-	23,33,11,83,797	-	4,33,82,20,975	18,99,29,62,822	21,59,94,90,073
Previous Year	14,72,83,75,435	-	9,65,61,46,871	-	24,38,45,22,306	-	2,78,50,32,233	21,59,94,90,073	
Capital work-in-progress	-	-	-	-	-	-	-	76,63,94,011	58,51,84,344

Note:

1 The Company has amortised the Assets - Roads and Bridges on straight line basis over the period of the annuity, which is 15 years from the Commencement Operational Date (COD).

2 The Company has received acceptance / approval for Rs 106.48 Cr from Concessionaire Authority on account of cost overrun claims and this amount has been accounted for during the year by crediting the road and bridges.

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JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 12: Long-term loans and advances

Particulars	As at March 31, 2016		As at March 31, 2015	
Security Deposits				
Unsecured, considered good				
-Related Party	3,000		3,000	
-Others	12,82,520	12,85,520	12,58,520	12,61,520
Total		12,85,520		12,61,520

Note 13: Short-term loans and advances

Particulars	As at March 31, 2016		As at March 31, 2015	
Other loans and advances				
Unsecured, considered good				
- Advance payment of taxes (net of provision)	7,90,59,649		5,33,00,234	
- Prepaid expenses	23,91,112		1,31,725	
- Advance recoverable in cash or kind	-	8,14,50,761	1,00,000	5,35,31,959
Total		8,14,50,761		5,35,31,959

Note 14: Other non-current assets

Particulars	As at March 31, 2016		As at March 31, 2015	
Other non-current assets				
- Unamortised borrowing cost	2,43,57,888		3,62,68,314	
- Miscellaneous Expenditure (To the extent not written off or adjusted)		2,43,57,888		3,62,68,314
Total		2,43,57,888		3,62,68,314

JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 15: Other current assets

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Unamortised borrowing cost	1,15,47,462		3,43,67,557	
(b) Interest accrued on fixed deposits	92,80,806		69,75,421	
(c) Annuity accrued but not due	84,19,60,887		84,19,60,887	
(d) Claims receivable from Concessionaire Authority	1,06,47,75,028	1,92,75,64,183	-	88,33,03,865
Total		1,92,75,64,183		88,33,03,865

Note 16: Cash and bank balances

Particulars	As at March 31, 2016		As at March 31, 2015	
(a) Cash and cash equivalents				
Cash on hand	1,17,253		43,969	
Balances with Banks in current accounts	4,55,19,893		7,35,95,507	
Balances with Banks in deposit accounts	26,55,03,001		61,41,54,522	
		31,11,40,147		68,77,93,998
(b) Other bank balances				
Bank deposits held as margin money or as security against borrowings or under lien less than 12 months	41,33,49,239	41,33,49,239	24,85,25,491	24,85,25,491
Total		72,44,89,386		93,63,19,489

JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 17: Contingent liabilities and capital commitments**A) Contingent liabilities (to the extent not provided for)**

S.No	Particulars	As at March 31, 2016	As at March 31, 2015
	Guarantees issued on behalf of Group Companies	-	-
	Guarantees issued on behalf of Third parties	-	-
	Claims against the Group not acknowledged as debt*	236.55 Cr.	238.00 Cr

* The Company is a party to claims of Rs. 236.55 Cr. which arose during the ordinary course of business. The Company's management believe based on the facts presently known, that the result of these action will not have a material impact on the company financial statement.

B) Estimated amount of contracts remaining to be executed on capital commitments :

Particulars (Name of party & description)	As at March 31, 2016	As at March 31, 2015
1 M/s G K C Projects Limited (Estimated amount of contracts remaining on capital account and not provided for. [Net of advances paid of Rs. Nil ; (As at March 31, 2015 Rs.NIL)])	36,01,69,154	23,90,88,618
Total	36,01,69,154	23,90,88,618

C) Disclose the amount paid/Payable to Auditors :

Particulars (Name of party & description)	As at March 31, 2016	As at March 31, 2015
U.Narain & Co.		
for Audit fees	1,71,750	1,12,360
for others services	2,83,860	1,62,922
for certificate	81,240	57,302

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JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 18: Revenue from operations

Particulars	Year Ended March 31, 2016		Year Ended March 31, 2015	
Income from services				
Annuity income		3,49,03,78,056		2,95,08,47,018
Total		3,49,03,78,056		2,95,08,47,018

Note 19: Other income

Particulars	Year Ended March 31, 2016		Year Ended March 31, 2015	
(a) Interest Income				
Interest on short term deposit		6,08,73,788	2,68,57,355	2,68,57,355
(b) Other non-operating income				
Miscellaneous Income	25,500			
Interest on Income Tax Refund	1,02,139	1,27,639	43,273	43,273
Total		6,10,01,427		2,69,00,628

Note 20: Operating expenses

Particulars	Year Ended March 31, 2016		Year Ended March 31, 2015	
Operation and maintenance expenses		19,21,19,161		15,86,43,313
Total		19,21,19,161		15,86,43,313

JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 21: Employee benefit expenses

Particulars	Year Ended March 31, 2016		Year Ended March 31, 2015	
Deputation cost (Refer footnote (a) below)		27,55,483		23,12,079
Total		27,55,483		23,12,079

(a) Deputation Cost

As the Company does not have any employee on its payroll, costs are recognised based on amounts charged to the Company by the employers of the respective employees based on the period for which the said resources have provided services to the Company. Disclosures required to be made in accordance with Accounting Standard (AS) 15 on "Employee Benefits" have not been made as such costs are determined by respective employers and separate figures in respect of such resources on the deputation are not available.

Note 22: Finance costs

Particulars	Year Ended March 31, 2016		Year Ended March 31, 2015	
(a) Interest expenses				
Interest on loans for fixed period		2,83,05,83,681		2,47,34,29,771
(b) Other borrowing costs				
Finance charges		5,18,70,286		2,66,07,827
Total		2,88,24,53,967		2,50,00,37,598

Note 23: Administrative and general expenses

Particulars	Year Ended March 31, 2016		Year Ended March 31, 2015	
Legal and professional fees	4,39,59,207		2,52,90,221	
Agency fees	18,85,402		17,09,744	
Travelling and conveyance	55,47,249		40,90,513	
Rent	17,54,948		18,38,900	
Repairs and maintenance	8,14,005		3,61,868	
Bank Charges	22,55,174		3,75,748	
Communication expenses	4,84,180		4,61,256	
Insurance	28,795		25,252	
Printing and stationery	4,28,002		3,08,714	
Electricity charges	1,54,841		1,45,481	
Directors' fees	4,43,460		1,31,103	
Auditors remuneration	5,36,850		3,16,854	
Miscellaneous expenses	77,18,837	6,60,10,950	30,39,776	3,80,95,430
Total		6,60,10,950		3,80,95,430

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JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 24: Earnings per equity share

Particulars	Unit	Year ended March 31, 2016	Year ended March 31, 2015
Profit after tax and minority interest	₹	(1,14,51,48,820)	(1,13,36,49,672)
Premium on preference shares	₹	-	-
Tax on premium on preference shares	₹	-	-
Profit available for Equity Shareholders	₹	(1,14,51,48,820)	(1,13,36,49,672)
Weighted number of Equity Shares outstanding	No	25,94,98,000	25,94,98,000
Nominal Value of equity shares	₹	10	10
Basic Earnings per share	₹	(4.41)	(4.37)
Equity shares used to compute diluted earnings per share	No.	25,94,98,000	25,94,98,000
Diluted Earnings per share	₹	(4.41)	(4.37)

Note 25 : Background

The Company was incorporated under the Companies Act 1956 on August 04, 2009. It was issued "Certificate of Commencement of Business" on October 15, 2009. The Company is a special purpose vehicle (SPV) promoted by Infrastructure Leasing and Financial Services Limited (IL&FS). IL&FS along with IL&FS Transportation Networks Limited (ITNL), a subsidiary of IL&FS, hold 100% of the shareholding.

The Company has entered into Tripartite Concession Agreement with Govt. of Jharkhand (GOJ) and Jharkhand Accelerated Road Development Co. Ltd. on September 23, 2009 for Ranchi Ring Road, on October 14, 2009 for Ranchi- Patratu Dam Road & Patratu Dam-Ramgarh Road, on May 06, 2011 for Chaibasa Kandra Chowka Road and on August 06, 2011 for Adityapur Kandra Road Project to Develop, Design, Engineer, Finance, Procure, Construct, Operate and Maintain 6 /4 laning roads in the State of Jharkhand on Build, Own and Transfer (Annuity) basis. The Concession Agreement envisages concession for a period of 17.5 Years (except in case of Adityapur Kandra Road Project is 15 years 9 months) commencing from the Commencement date, including the exclusive right, license and authority during the subsistence of this Agreement to implement the Project and the Concession in the respect of the Project Highway.

Note 26 : Segment Reporting

The Company is a special purpose vehicle and is engaged in the business of construction of road as mentioned in the para above and thus operates in a single business and geographical segment. As a result, disclosures required under AS-17 on "Segment Reporting" have not been made.

Note 27

The company has incurred deputation cost of ₹27,55,483/- (previous year ₹23,12,069/-) during the year which was paid / payable to ITNL, the Holding Company

Note 28

The Company has incurred expenditure for its Road Project's being EPC Cost, Project Development Fees, Success Fees, Management Fees, Service Fees and other expenditures and the same has been classified as "Capital Work in Progress".

Note 29

In the opinion of the Board of Directors, Current Assets, Loans and Advances are realizable at a value, which is at least equal to the amount at which these are stated in the ordinary course of business and provision made for all known and determined liability are adequate and not in excess of the amount stated

JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 30: Related Party Statement

1. Name of the related parties and description of relationship:

Nature of Relationship	Name of Entity	Acronym used
Ultimate Holding Company:	Infrastructure Leasing and Financial Services Limited	IL&FS
Holding Company :	IL&FS Transportation Networks Limited	ITNL
Fellow Subsidiaries to whom transaction during the year	IL&FS Financial Services Limited	IFIN
	IL&FS Trust Company Limited	ITCL
	ISSL CPG BPO Private Limited	ISSL
	IL&FS Rail Limited	IRL
	Jharkhand Accelerated road Development Company Limited	JARDCL
	Jharkhand Infrastructure Implementation Co Limited	JIICL
	Elsamax Maintenance Services Limited	ELSAMAX
Key Management personnel :	Mr. Amit Garg	Manager

2. Details of balances and transactions during the period with related parties

Account head	Name of Entity	As At March 31, 2016	As At March 31, 2015
Balances:			
Share Capital	IL&FS & its nominees	17,05,00,000	17,05,00,000
	ITNL	2,42,44,80,000	2,42,44,80,000
Subordinate Debts	ITNL	1,35,11,00,000	1,35,11,00,000
	ITNL	1,18,55,00,000	1,78,00,00,000
Term Loan	IFIN	3,33,50,00,000	2,82,95,00,000
	IRL	1,50,00,00,000	-
Interest on Subordinate Debts	ITNL	11,30,95,847	5,47,38,935
Interest on Term Loan	IFIN	-	37,65,206
	ITNL	-	13,57,13,109
Trade Payable	IFIN	-	1,129
	ELSAMAX	69,408	-
Deposit Given	ITCL	3,000	3,000
Transactions:		Year ended March 31, 2016	Year ended March 31, 2015
Subordinate Debts received	ITNL	-	31,45,00,000
Interest on Subordinate Debts	ITNL	18,38,57,439	16,82,75,506
	ITNL	6,40,30,56,661	3,20,60,00,000
Term Loan Received	IFIN	3,33,50,00,000	2,47,25,00,000
	IL&FS	3,05,70,00,000	-
	IRL	1,50,00,00,000	-
	ITNL	6,99,75,56,661	2,89,60,00,000
Term Loan Paid	IFIN	2,82,95,00,000	1,20,00,00,000
	IL&FS	3,05,70,00,000	-
	ITNL	19,80,36,483	13,34,54,889
Interest on Term Loan	IFIN	43,76,38,685	37,18,83,591
	IL&FS	13,10,10,193	-
	IL&FS	7,69,315	-
Upfront fees	IFIN	64,34,015	2,40,67,513
Supervision fees and O&M fees	ITNL	19,21,19,161	36,84,96,649
Security Trustee Fees	ITCL	12,79,425	12,64,050
Professional fees	ISSL	17,175	16,854
Outsourcing and Miscellaneous Expenses	ELSAMAX	14,55,074	7,54,083
Remuneration (Director's Sitting Fees)	Mr. Amit Garg	30,000	16,668

Note : - Reimbursement of cost is not included above.

Note No. 31

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