

SIKAR BIKANER HIGHWAY LIMITED

FINANCIAL STATEMENT

2014-15



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SIKAR BIKANER
HIGHWAY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Sikar Bikaner Highway Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

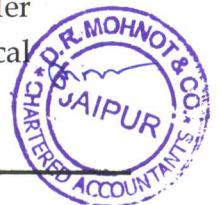
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical



requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2015, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2015, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 account as required by law have been kept by the Company so far as it appears from our examination of those books.



(c) The Company does not have a branch and accordingly Section 143 (8) of the Act does not apply.

(d) 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.

(e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(f) In our opinion, there are no financial transactions or matters which may have any adverse effect on the functioning of the Company.

(g) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.

(h) 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 does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place- Mumbai

Date- April 27, 2015

For D.R.Mohnot & Co.
Chartered Accountants
Firm's registration number: 001388C


D.R.Mohnot
Partner

Membership number: 070579



Annexure to the Auditors' Report

The Annexure referred to in our report to the members of Sikar Bikaner Highway Limited ('the Company') for the year Ended on March 31st 2015. We report that:

- (i) (a) the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets (i.e. intangible asset under development).
- (b) the fixed assets (i.e intangible asset under development) have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification.
- (ii) The Company does not have any inventory. Accordingly clause 3(ii) of the Order is not applicable.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly sub clauses (a) and (b) of clause 3(iii) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us there are adequate internal control systems commensurate with the size of the company and the nature of its business, for the purchase of fixed assets. The activities of the company do not involve purchase of inventory, sale of any goods and services. Further on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weakness in the aforesaid internal control weakness.
- (v) The company has not accepted any deposits as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Accordingly, clause 3 (v) of the order is not applicable.



- (vi) According to information and explanations given to us, the Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act.
- (vii) (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
- (b) According to the information and explanations given to us there are no dues in respect of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- (c) According to the information and explanations given to us there are no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.
- (viii) The company has been registered for a period less than 5 years and therefore the said clause does not apply.
- (ix) According to the information and explanation given to us and as per our examination of books of account the company has not defaulted in repayment of dues to Banks in the current year. The Company has not borrowed from any financial institution.
- (x) According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions during the year. Accordingly Clause 3(x) of Order is not applicable.
- (xi) According to the information and explanation provided to us the term loans have been applied for the purpose for which they were raised.



(xii) During the course of our examination of books of account and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have been informed of such case by management.

For D.R.Mohnot & Co.
Chartered Accountants
Firm's registration number: 001388C



Place- Mumbai

Date- April 27, 2015

D.R.Mohnot
Partner

Membership number: 070579

SIKAR BIKANER HIGHWAY LIMITED
Balance Sheet As at March 31, 2015

Particulars		Note	As At March 31, 2015		As At March 31, 2014	
I	EQUITY AND LIABILITIES					
1	SHAREHOLDERS' FUNDS					
	(a) Share capital	2	1,24,05,00,000		1,24,05,00,000	
	(b) Reserves and surplus	3	1,64,94,25,907	2,88,99,25,907	70,47,22,286	1,94,52,22,286
2	NON-CURRENT LIABILITIES					
	(a) Long-term borrowings	4	3,34,12,00,000		1,44,00,00,000	
	(b) Other long term liabilities	5	32,95,72,808	3,67,07,72,808	16,87,32,138	1,60,87,32,138
3	CURRENT LIABILITIES					
	(b) Other current liabilities	6	48,37,54,840	48,37,54,840	1,76,11,08,009	1,76,11,08,009
	TOTAL			7,04,44,53,555		5,31,50,62,433
II	ASSETS					
1	NON CURRENT ASSETS					
	(a) Fixed assets					
	(i) Intangible assets under development	7		6,57,30,03,263		4,10,76,17,674
	(b) Long-term loans and advances (net)	8		26,77,24,142		46,83,01,440
2	CURRENT ASSETS					
	(a) Cash and cash equivalents	9	14,21,13,652		23,78,66,814	
	(b) Short-term loans and advances	10	17,95,641		14,68,505	
	(c) Other current assets	11	5,98,16,857	20,37,26,150	49,98,08,000	73,91,43,319
	TOTAL			7,04,44,53,555		5,31,50,62,433

Notes 1 to 18 form part of the special purpose financial statements.

In terms of our report attached.

For D. R. Mohnot & Co.
Chartered Accountants
Firm Registration Number: 001388C

D. R. Mohnot
Partner
Membership Number: 070579

Place : Mumbai
Date : 27.4.15



For and on behalf of the Board

[Signature]
Director

[Signature]
Chief Financial Officer
Place: Mumbai
Date : 27.4.15

[Signature]
Managing Director

SIKAR BIKANER HIGHWAY LIMITED
Statement of Profit and Loss for Year ended March 31, 2015

Particulars		Note	Year ended March 31, 2015	Year ended March 31, 2014
I	Revenue from operations		-	-
II	Other income	13	1,12,360	-
III	Total revenue (I + II)		1,12,360	-
IV	Expenses			
	Administrative and general expenses	14	21,49,699	20,04,972
	Total expenses (IV)		21,49,699	20,04,972
V	Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)		(20,37,339)	(20,04,972)
VI	Add / (Less) : Exceptional items		-	-
VII	Profit / (Loss) before extraordinary items and tax (V-VI)		(20,37,339)	(20,04,972)
VIII	Add / (Less) : Extraordinary items		-	-
IX	Profit / (Loss) before tax (VII-VIII)		(20,37,339)	(20,04,972)
X	Tax expense:			
	(1) Current tax		-	-
	(2) Tax relating to earlier period		-	-
	(3) MAT credit entitlement		-	-
	(3) Deferred Tax (Net)		-	-
	Total tax expenses (X)		-	-
XI	Profit / (Loss) for the year (IX-X)		(20,37,339)	(20,04,972)
	Earnings per equity share (Face value per share Rupees 10/-):	15		
	(1) Basic (not annualised)		(0.02)	(0.02)
	(2) Diluted (not annualised)		(0.02)	(0.02)

Notes 1 to 18 form part of the special purpose financial statements.

In terms of our report attached.

For D. R. Mohnot & Co.

Chartered Accountants

Firm Registration Number: 001368C

D. R. Mohnot

Partner

Membership Number: 070579

Place : Mumbai

Date : 27.4.15



For and on behalf of the Board

[Signature]
Director

[Signature]
Chief Financial Officer

[Signature]
Managing Director

Place: Mumbai
 Date : 24/4/15

SIKAR BIKANER HIGHWAY LIMITED
Cash Flow Statement for the Year ended March 31, 2015

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Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Cash Flow from Operating Activities		
Profit Before Taxes	(20,37,339)	(20,04,972)
Operating Loss before Working Capital Changes	(20,37,339)	(20,04,972)
Adjustments changes in working capital:		
Increase / (Decrease) in liabilities (current and non current)	(15,79,413)	40,57,473
Cash Generated from / Used in Operations	(36,16,752)	20,52,501
Direct Taxes paid (Net)	(32,61,485)	(5,95,879)
Net Cash generated from / (used in) Operating Activities (A)	(68,78,237)	14,56,622
Cash flow from Investing Activities		
Intangible assets under Development (net off creditors and Interest expenses capitalised)	(3,12,45,53,062)	(1,60,10,79,532)
Net Cash used in Investing Activities (B)	(3,12,45,53,062)	(1,60,10,79,532)
Cash flow from Financing Activities		
Increase in share capital	-	25,25,00,000
Proceeds from borrowings (Term Loan)	1,53,12,00,000	1,16,00,00,000
Proceeds from borrowings (Sub-debt)	37,00,00,000	28,00,00,000
Receipt of Grant	1,38,70,68,500	21,74,20,000
Interest and Finance Charges Paid (Which is capitalised under Intangible asset under development)	(25,25,90,363)	(7,83,61,729)
Net Cash generated from Financing Activities (C)	3,03,56,78,137	1,83,15,58,271
Net (Decrease)/ increase in Cash and Cash Equivalents (A+B+C)	(9,57,53,162)	23,19,35,360
Cash and Cash Equivalent at the beginning of the period	23,78,66,814	59,31,454
Cash and Cash Equivalent at the end of the period	14,21,13,652	23,78,66,814
Net (Decrease)/ increase in Cash and Cash Equivalents	(9,57,53,162)	23,19,35,360
Components of Cash and Cash Equivalents		
Cash on Hand	4,500	5,554
Balances with Banks in current accounts	14,21,09,152	23,78,61,260
Balances with Banks in deposit accounts	-	-
	14,21,13,652	23,78,66,814

Notes 1 to 18 form part of the special purpose financial statements.

In terms of our report attached.

For D. R. Mohnot & Co.

Chartered Accountants

Firm Registration Number: 000388C

D. R. Mohnot

Partner

Membership Number: 070579

Place : Mumbai

Date : 27.4.15



For and on behalf of the Board

[Signature]
Director

[Signature]
Chief Financial Officer

[Signature]
Managing Director

Place: Mumbai

Date : 27.4.15

SIKAR BIKANER HIGHWAY LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2015

Note No. 1 - Significant Accounting Policies

I Background

The agreement of concession was entered between MoRTH through PWD and the Company on June 29, 2012. MoRTH will provide grant of Rs. 247.32 crores by way of equity support for meeting the total project cost.

II Basis of Accounting

The financial statement is prepared in accordance with the Generally Accepted Accounting Principles in India, Accounting Standards as per section 133 of the Companies Act 2013 read with Rule 7 of Companies (Accounts) Rules 2014

III Use of estimates

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

IV Fixed Assets and Depreciation

i) Tangible fixed assets and depreciation

Tangible fixed assets acquired by the Company 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:

As per notification dated, March 26, 2014 issued by the Ministry of Corporate Affairs, Schedule II of the Companies Act 2013 comes into effect from April 1, 2014 which prescribes the useful life of depreciable assets. The Company has adopted the useful life prescribed under the Schedule II of the Companies Act 2013. Also, with effect from April 1, 2014 the Company has decided to change the policy retrospectively for charging depreciation on the basis of Straight Line Method in place of Written Down Method other than those specified otherwise. Accordingly the Company has reinstated its policy for charging depreciation with effect from April 1, 2014 which is as below:

(i) Assets purchased on or after April 1, 2014 are depreciated on Straight Line Method, over the useful life of assets as prescribed under Schedule II of the Companies Act 2013 other than assets specified in para (ii) 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 the Management's estimate

(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) Cars purchased by the company for employees, are depreciated over a period of five years

(e) Assets provided to employees are depreciated over a period of three years

(f) Leasehold improvement costs are capitalised and amortised over the period of lease agreement

(g) All categories of assets costing less than Rs. 5,000 each are fully depreciated in the year of purchase.

(h) The residual value of all the assets is retained at Rs. 1/- each

V Impairment of Assets

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

SIKAR BIKANER HIGHWAY LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2015

VI Borrowing Cost

In respect of an intangible asset, borrowing costs attributable to the construction of the roads are capitalised up to the date of receipt of the final completion certificate of the asset / facility received from the authority for its intended use of construction asset / facility as specified in the Concession Agreement. All borrowing costs subsequent to receipt of the final completion certificate on construction of the asset / facility as specified in Concession Agreement are charged to the Statement of Profit and Loss in the period in which such costs are incurred.

VII Employee Costs

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

VIII Preliminary Expenditure

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

IX Accounting for Taxes on Income

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

X Provisions, Contingent Liabilities and Assets

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

XI Cash Flow Statements

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

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

XII Earnings per Share

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

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

XIII Current/Non-Current Assets and Liabilities

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

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

All other assets are classified as Non-current

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

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

All other liabilities are classified as Non-current

SIKAR BIKANER HIGHWAY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 2: Share capital

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	₹	Number	₹
Authorised				
Equity Shares of Rupees 10/- each	12,40,50,000	1,24,05,00,000	12,40,50,000	1,24,05,00,000
Issued				
Equity Shares of Rupees 10/- each	12,40,50,000	1,24,05,00,000	12,40,50,000	1,24,05,00,000
Subscribed and Paid up				
Equity Shares of Rupees 10/- each fully paid (refer foot note no. i, ii, and iii)	12,40,50,000	1,24,05,00,000	12,40,50,000	1,24,05,00,000
Total	12,40,50,000	1,24,05,00,000	12,40,50,000	1,24,05,00,000

Foot Notes:

i. All the Equity Shares are held by the holding company viz, ILFS Transportation Networks Limited ("ITNL") and its nominees.

ii. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting Quarter/Year:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Equity Shares		Equity Shares	
	No. of Shares	₹	No. of Shares	₹
Shares outstanding at the beginning of the Quarter/Year	12,40,50,000	1,24,05,00,000	9,88,00,000	98,80,00,000
Shares issued during the Quarter / year	-	-	2,52,50,000	25,25,00,000
Shares bought back during the Quarter / year	-	-	-	-
Shares outstanding at the end of the Quarter / year	12,40,50,000	1,24,05,00,000	12,40,50,000	1,24,05,00,000

iii. Shareholding more than 5% shares

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	% of total holding	No. of Shares held	% of total holding
IL&FS Transportation Networks Limited	12,40,50,000	100.00%	12,40,50,000	100.00%
Total	12,40,50,000	100.00%	12,40,50,000	100.00%

Note 3: Reserves and surplus

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Capital Reserve				
Opening balance	71,72,28,000		-	
(+) Created during the period / year	94,67,40,960		71,72,28,000	
(-) Written back in current period	-	1,66,39,68,960	-	71,72,28,000
(b) Profit / (Loss) Surplus				
Opening balance	(1,25,05,714)		(1,05,00,742)	
(+) Profit / (loss) for the current period / year	(20,37,339)	(1,45,43,053)	(20,04,972)	(1,25,05,714)
Total		1,64,94,25,907		70,47,22,286

Foot note:**Capital Reserve:**

Grant from Ministry of Road transport & Highways (Equity Support) : The company in accordance with clause 25.1 and 25.2 of the Concession Agreement signed with Government of Rajasthan Public Works Department is entitled to grant of Rs. 2,47,32,00,000 during the construction period towards Equity Support. Out of the aforesaid amount, Rs. 1,66,38,45,300/- is accounted by the company as at March 31, 2015 (PY Rs. 71,72,28,000/-) .

SIKAR BIKANER HIGHWAY LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 4 : Long-term borrowings

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Term Loans				
(i) Secured				
From banks		2,69,12,00,000		1,16,00,00,000
(ii) Unsecured				
From Related party		65,00,00,000		28,00,00,000
Total		3,34,12,00,000		1,44,00,00,000

Foot Notes:

i.) The Facility together with Interest, Default Interest / any other liquidated damages if any, fees, costs, charges, expenses and other monies whatsoever stipulated and due to the Secured Parties shall be secured by a first pari-passu charge without any Senior Lender having priority/preference over the other. The Security for the Facility shall be created in favour of the Security Trustee for the benefit of the Senior Lenders, by way of

a) A first pari-passu charge in favour of the Senior Lenders/Security Trustee for the benefit of the Senior Lenders in a form satisfactory to the Senior Lenders, of all the Borrower's immovable assets to the extent permissible by the Concession Agreement, if any both present and future, save and except Project Assets;

b) A first pari-passu charge in favour of Senior Lenders/Security Trustee for the benefit of the Senior Lenders of all the Borrower's moveable properties, both present and future, save and except the Project Assets;

c) A first pari-passu charge of all the bank accounts including but not limited to the Escrow Account opened in a designated bank, where all cash flows from the Project shall be deposited, and the sub Account (or any account in substitution thereof) that may be opened in accordance with this Agreement and supplementary Escrow Agreement, or any other Project Agreement, provided such first charge shall only be to the extent permitted as per the waterfall of priorities prescribed under Escrow Agreement and Concession Agreement.

d) A first pari-passu charge of on all revenues of the Borrower from the Project or otherwise, Project's book debts, operating cash flow, commissions or revenues of whatsoever nature from the Project.

e) a first charge by way of assignment of or creation of Security Interest on all the rights, title, interest, benefits, claims and demand whatsoever of the Borrower under the Concession Agreement and Project Agreement, to the extent covered by or in accordance with Substitution Agreement:

f) Non Disposal Undertaking to hold 51% share of the Borrower for the tenor of the facility, subject to the provisions of Concession Agreement'

ii.) Repayment Schedule:

Total loans commitment is Rs. 530.00 Crores (Term Loan - Secured from Banks Rs. 400.00 Crores & Term Loan - Unsecured Rs 130.00 Crore from Promoter)

Senior Debt disbursed by Banks till March 31, 2015 is Rs. 269.12 Crores. (Previous year ended March 31, 2014 is Rs. 116 Crores) and Subordinate Debt disbursed from Promoter till March 31,2015 is Rs. 65.00 Crores (Previous year ended March 31, 2014 is Rs. 24.00 Crores).

The Borrower shall repay the Secured & Unsecured Term Loans as per the schedule below:

Financial Year Ending	No of Quarters (Senior Debt)	Total Repayment of Term Loan - Secured (Rs. Crores)	No of Quarters (Subordinate Debt)	Total Repayment of Term Loan - Unsecured (Rs. Crores)
2017	4	2	-	-
2018	4	10	-	-
2019	4	18	-	-
2020	4	24	-	-
2021	4	26	-	-
2022	4	34	-	-
2023	4	44	-	-
2024	4	60	-	-
2025	4	72	-	-
2026	4	72	-	-
2027	2	38	3	39
2028	-	-	4	52
2029	-	-	3	39
TOTAL	42	400	10	130

SIKAR BIKANER HIGHWAY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 5 : Other long term liabilities

Particulars	As at March 31, 2015		As at March 31, 2014	
(i) Retention Money Payable From related parties		25,02,71,276		15,83,30,514
(ii) Interest accrued but not due on borrowings From related parties		7,93,01,532		1,04,01,624
Total		32,95,72,808		16,87,32,138

Note 6 : Other current liabilities

Particulars	As at March 31, 2015		As at March 31, 2014	
(i) Retention Money Payable From others		11,58,364		
(ii) Statutory Dues		71,83,917		87,63,330
(iii) Other current liabilities From related parties	46,78,26,351		1,75,17,63,216	
From others	75,86,208	47,54,12,559	5,81,463	1,75,23,44,679
Total		48,37,54,840		1,76,11,08,009

SIKAR BIKANER HIGHWAY LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 7 : Fixed assets

Particulars	Gross block				Accumulated depreciation				Net block		
	Balance as at April 1, 2014	Adjustments / Reclassifications	Additions	Deletions	Balance as at March 31, 2015	Balance as at April 1, 2014	Adjustments / Reclassifications	Charge for the period	Deletions	Balance as at March 31, 2015	Balance as at March 31, 2014
a) Intangible assets under Development (refer foot note no. 1)	4,10,76,17,674	-	2,46,53,85,589	-	6,57,30,03,263	-	-	-	-	6,57,30,03,263	4,10,76,17,674
Previous Year	1,60,57,44,087		2,50,18,73,587		4,10,76,17,674					4,10,76,17,674	-

SIKAR BIKANER HIGHWAY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 8 : Long-term loans and advances (Unsecured considered good)

₹

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Mobilisation Advance				
Unsecured, considered good				
To related parties	26,37,18,528		46,46,94,440	
To others	-	26,37,18,528	26,25,000	46,73,19,440
(b) Security Deposits				
Unsecured, considered good (Guest House Rent Deposit)		22,000		20,000
(c) Other loans and advances				
- Advance payment of taxes (net of provision)	38,57,364		5,95,879	
- Prepaid expenses	-		3,66,121	
- Other loans and advances	1,26,250	39,83,614	-	9,62,000
Total		26,77,24,142		46,83,01,440

Note 9 : Cash and cash equivalents Break-up

₹

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Cash and cash equivalents				
Cash on hand	4,500		5,554	
Balances with Banks in current accounts (Refer Foot note)	14,21,09,152	14,21,13,652	23,78,61,260	23,78,66,814
Balances with Banks in deposit accounts	-		-	
Total		14,21,13,652		23,78,66,814

Foot Note:

1) Balance of Rs. 13,34,98,223/- (As at March 31, 2014 is Rs. 23,29,05,684/-) is in an Escrow A/c. in accordance with the Concession Agreement dated 29th, June 2012

Note 10 : Short-term loans and advances

₹

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Other loans and advances				
- Prepaid expenses		17,95,641		14,68,505
Total		17,95,641		14,68,505

Note 11 : Other current assets (Unsecured considered good)

₹

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Grant receivable	5,94,80,460		49,98,08,000	
(b) Other receivable	3,36,397	5,98,16,857	-	49,98,08,000
Total		5,98,16,857		49,98,08,000

SIKAR BIKANER HIGHWAY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 12 : Contingent liabilities, capital commitments and other information**A) Contingent liabilities :- NIL****B) Financial commitments pending to be executed :- NIL****C) Estimated amount of contracts remaining to be executed on capital and other account :**

Particulars			As at March 31,	As at March 31,
Sr. No.	Name of party	Description	2015	2014
1	IL & FS Transportation Networks Ltd. - towards precommencement activities	Estimated amount of contracts remaining on capital account and not provided for. (net of advances paid of Rs. 26,37,18,528/- ; As at March 31, 2014 Rs. 46,46,94,440/-)	2,14,91,55,882	3,78,69,95,202

₹

SIKAR BIKANER HIGHWAY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 13 : Other income

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
(a) Other non-operating income				
Excess provisions written back		1,12,360		-
		1,12,360		-

Note 14 : Administrative and general expenses

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
Legal and consultation fees	11,26,515		5,52,193	
Travelling and conveyance	2,20,756		6,915	
Rates and taxes	15,524		3,210	
Bank commission	1,38,595		22,399	
Registration expenses	-		2,52,500	
Directors' Sitting fees	2,24,832		2,52,416	
Auditors' Remuneration (Refer footnote)	4,15,732		8,98,354	
Miscellaneous expenses	7,745	21,49,699	16,985	20,04,972
		21,49,699		20,04,972

Footnote:**Breakup of Auditors Remuneration as below:**

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
Statutory Audit Fees		2,80,900		2,82,305
Certification charges		1,34,832		1,77,671
Out of Pocket Expenses		-		3,627
Other expenses		-		4,34,751
		4,15,732		8,98,354

SIKAR BIKANER HIGHWAY LIMITED**Notes forming part of the Financial Statements for the year ended March 31, 2015****Note 15 : Earnings per equity share**

₹

Particulars	Unit	Year ended March 31, 2015	Year ended March 31, 2014
Profit available for Equity Shareholders	₹	(20,37,339)	(20,04,972)
Weighted number of Equity Shares	Numbers	12,40,50,000	12,03,84,545
Nominal Value of equity shares	₹	10	10
Basic Earnings per share	₹	(0.02)	(0.02)
Equity shares used to compute diluted	Numbers	12,40,50,000	12,03,84,545
Diluted Earnings per share	₹	(0.02)	(0.02)

SIKAR BIKANER HIGHWAY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 16 : Related Party Statement**a Name of related parties and description of relationship**

Name of Entity	Nature of Relationship	Acronym used
IL&FS Transportation Networks Limited	Holding Company	ITNL
IL&FS Trust Company Limited	Fellow Subsidiary	ITCL
IL&FS Financial Services Limited	Fellow Subsidiary	IFIN
Rajnish Saxena	Managing Director	-
Vicky Masani	Chief Financial Officer	-

b Transactions / Balances with related parties as mentioned (a) above

Account head	Name of Entity	As At March 31, 2015	As At March 31, 2014
Balances:			
Share Capital	ITNL	1,240,500,000	1,240,500,000
Other Current Liabilities	ITNL	467,826,351	1,751,763,216
Interest Accrued	ITNL	79,301,532	10,401,624
Subordinate Debt Taken	ITNL	650,000,000	280,000,000
Retention Money	ITNL	250,271,276	158,330,514
Mobilisation Advance	ITNL	263,718,528	464,694,440

Account head	Name of Entity	As At March 31, 2015	As At March 31, 2014
Transactions:			
Share Capital	ITNL	-	252,500,000
Project Development Fees	ITNL	250,000,000	-
Construction Cost	ITNL	1,838,815,232	2,399,367,949
Mobilisation Advance Paid	ITNL	-	144,693,877
Mobilisation Advance Adjusted	ITNL	200,975,910	102,861,070
Subordinate Debt	ITNL	370,000,000	280,000,000
Interest on Sub-Debt	ITNL	76,555,453	11,557,360
Security Trusteeship Fees	ITCL	140,450	180,856
Director Fees	Rajnish Saxena	20,000	30,000

SIKAR BIKANER HIGHWAY LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2015

Note 17: Segment Information

As the Company operates in a single business as well as geographical segment, the disclosures required under the Accounting Standard on "Segment Reporting" (AS-17) notified under the Companies Accounting Standards Rules, 2006 are not applicable

Note 18: Previous Quarter / year

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

For D. R. Mohnot & Co.

Chartered Accountants

Firm Registration Number: 001388C

Amre
D. R. Mohnot

Partner

Membership Number: 070979

Place : Mumbai

Date : *27.4.15*



For and on behalf of the Board

Mann
Director

Mohanan
Chief Financial Officer

[Signature]
Managing Director