

ATLANTA ROPAR TOLLWAYS PRIVATE LIMITED

**101, SHREE AMBA SHANTI CHAMBERS,
OPP. HOTEL LEELA,
ANDHERI KURLA ROAD,
ANDHERI (EAST),
MUMBAI - 400 059.**

**AUDITED FINAL ACCOUNTS FOR THE YEAR
ENDED 31ST MARCH, 2014**

**NITIN KOTHARI & CO.
CHARTERED ACCOUNTANTS
106, Navroji Hill Road No.2
3/12, Shanti
MUMBAI - 400 009
Tel No.022-2374 4334/93222 32442**

Independent Auditors' Report

To
The Members of Atlanta Ropar Tollways Private Limited
101, Shree Amba Shanti Chambers,
Opp. Hotel Leela, Andheri – Kurla Road,
Andheri (E),
Mumbai – 400 059.

Report on the Financial Statements

We have audited the accompanying financial statements of Atlanta Ropar Tollways Private Limited (formerly known as ARSS Action Ropar Tollway Pvt. Ltd.) ('the Company'), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

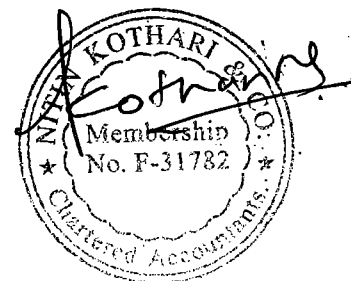
The management is responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit / loss for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, 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 Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act;
 - e. On the basis of the written representations received from the Directors as on March 31, 2014, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a Director in terms of Section 274(1)(g) of the Act.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For NITIN KOTHARI & CO.
Chartered Accountants

Firm Regd.No.107142W

Nitin S Kothari

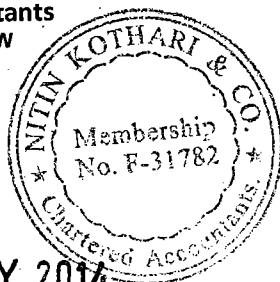
Nitin S Kothari

Proprietor

M. No. 31782

PLACE: MUMBAI

DATE: 30 MAY 2014



Annexure to Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year.

2. The company does not have any inventories. Accordingly clause 4 (ii) (a) to (c) of the Order is not applicable to the company.

3. As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, except mobilization advance and secured advance against work order given to Atlanta Ltd. Accordingly, paragraphs (iii) (b), (c) and (d) of the Companies (Auditors' Report) Order 2003 (as amended) are not applicable.

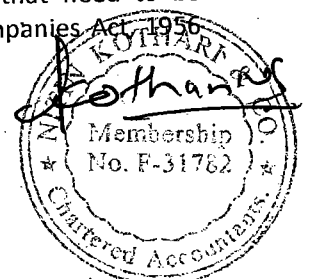
The Company has taken interest free unsecured loans from i) Atlanta Ltd. and balance outstanding as on 31st March, 2014 Long Term Borrowings Rs.14,53,26,159/- (previous year Rs. Nil) and ii) from Atlanta infra Assets Ltd. and balance outstanding as on 31st March, 2014 Long Term Borrowings Rs.3,52,34,635/- (previous year Rs. Nil)

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:

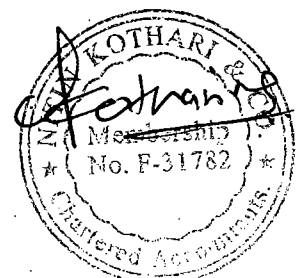
(a) In our opinion and according to the information and explanations given to us, transactions made in pursuance of EPC contracts or arrangements with Atlanta Ltd., an EPC contractor, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.





6. The company has not accepted deposits from the public during the year.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. In respect of statutory dues:
 - a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.
 - b) According to the records of the Company and according to the information and explanations given to us, there is no dispute related to Income tax/ Sales tax /Wealth tax/ Service tax/ Custom duty/ Excise duty/ cess as at 31st March,2014.
10. The Company has no accumulated losses as at 31st March, 2014 and has also not incurred any cash losses from operating activities during the financial year ended on that date.
11. Based on our audit procedures and on the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks and financial institutions.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities. Accordingly clause 4(xii) of the Order is not applicable to the company.
13. In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Accordingly clause 4(xiii) of the Order is not applicable to the company.
14. The Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly clause 4(xiv) of the Order is not applicable to the company.
15. The Company has not given any guarantees for loans taken by others from banks and financial institutions. Accordingly clause 4(xv) of the Order is not applicable to the company.
16. The Company has raised new term loans during the year, and such loans have been applied for the purposes for which they were raised.



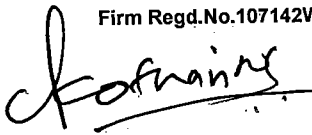
NITIN KOTHARI & Co.
CHARTERED ACCOUNTANTS
NITIN S.KOTHARI
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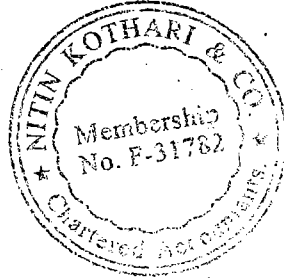
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17. According to the cash flow statement and records examined by us, on overall basis, funds raised on short term basis have, prima facie, not been used during the period for long term investment and vice versa.
18. During the year under audit the company has made an allotment of 13,19,600 Equity share of face value of Rs.10 each at par to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956. According to information and explanation given to us and in our opinion, the price at which such shares are issued are not prejudicial to the interest of the company.
19. The Company has not raised any monies by way of issue of debentures.
20. The Company has not raised any monies by way of public issues during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For NITIN KOTHARI & CO.
Chartered Accountants
Firm Regd.No.107142W



Nitin S Kothari
Proprietor
M. No. 31782



PLACE : MUMBAI

DATE: 30 MAY 2014

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ATLANTA ROPAR TOLLWAYS PRIVATE LIMITED
 (formerly known as ARSS Action Ropar Tollway Private Limited)
 Balance Sheet as at 31st March, 2014

(Amount in Rs.)

SL.	Particulars	Note	31-Mar-2014		31-Mar-2013	
I	EQUITY AND LIABILITIES					
1	Shareholders' Funds	2	350,000,000		336,804,000	
	Share Capital				(512,906)	336,291,094
	Reserves and Surplus	3	(512,906)	349,487,094		
2	Non-current Liabilities				710,000,000	
	Long term borrowings - Secured	4	912,709,721			
	Long term borrowings- Unsecured (Interest free funds advanced by promoters for meeting equity component)	5	180,560,794	1,093,270,515		710,000,000
3	Current Liabilities					
	Trade Payables	6	853,994		69,031,573	
	Other Current Liabilities	7	3,058,412	3,912,406	15,147,946	84,179,519
	TOTAL			1,446,670,015		1,130,470,613
II	ASSETS					
1	Non-Current Assets					
	Fixed Assets					
	Tangible Assets	8	2,816,734		677,776	
	Intangible Assets under Development	9	1,219,497,257		758,818,986	
	Non Current Investments	10	50,000			
	Long term Loans and advances	11	192,616,157	1,414,980,148	369,356,017	1,128,852,779
2	Current Assets					
	Trade Receivables	12	25,878,861			
	Short term Loans and advances	13	3,382,036		1,123,600	
	Cash and cash equivalents	14	2,428,970	31,689,867	494,234	1,617,834
	TOTAL			1,446,670,015		1,130,470,613

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS

1 to 27

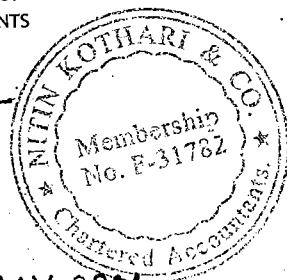
FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR NITIN KOTHARI & CO.
CHARTERED ACCOUNTANTS
Firm Regd.No.107142W

Nitin S. Kothari

Nitin S. Kothari
Proprietor
M. No. 31782



PLACE : MUMBAI

DATE : 30 MAY 2014

Rajhoo Bbarot

Rajhoo Bbarot

DIRECTOR

Rishiin Bbarot

Rishiin Bbarot

DIRECTOR

PLACE : MUMBAI

DATE : 30 MAY 2014

ATLANTA ROPAR TOLLWAYS PRIVATE LIMITED
(formerly known as ARSS Action Ropar Tollway Private Limited)
Statement of Profit and Loss for the year ended 31st March, 2014

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(Amount in Rs.)

SL.	Particulars	Note	31-Mar-2014	31-Mar-2013
	Income			
I	Revenue from Operations	15	25,878,861	-
II	Other Income		-	-
III	Total Income (I+II)		25,878,861	-
IV	Expenses:			
	Operating Expenses	16	25,878,861	-
	Other Expense	17	-	-
	Total Expenses		25,878,861	-
V	Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		-	-
VI	Exceptional Items		-	-
VII	Profit/(Loss) before extraordinary items and tax (V-VI)		-	-
VIII	Extraordinary Items		-	-
IX	Profit/(Loss) before tax (VII-VIII)		-	-
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
	(3) Prior period tax		-	-
XI	Profit/(Loss) after tax for the year		-	-
XII	Earnings per equity share:	24		
	(1) Basic		-	-
	(2) Diluted		-	-

SIGNIFICANT ACCOUNTING POLICIES AND
NOTES ON FINANCIAL STATEMENTS

1 to 27.

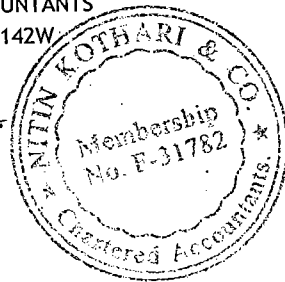
AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD
OF DIRECTORS

FOR NITIN KOTHARI & CO.
CHARTERED ACCOUNTANTS
Firm Regd.No.107142W

Nitin S. Kothari

Nitin S. Kothari
Proprietor
M. No. 31782



Rajhoo Bbarot

Rajhoo Bbarot
DIRECTOR

Rikdin Bbarot

Rikdin Bbarot
DIRECTOR

PLACE : MUMBAI
DATE : 30 MAY 2014

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DATE : 30 MAY 2014

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ATLANTA ROPAR TOLLWAYS PRIVATE LIMITED
(formerly known as ARSS Action Ropar Tollway Private Limited)
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2014

(Amount in Rs.)

Sl.No.	Particulars	31-Mar-14	31-Mar-13
A. CASH FLOW FROM OPERATING ACTIVITIES			
	Net Profit/(Loss) before Tax		
	<u>Non cash adjustments to reconcile profit before tax to net cash flows :</u>		
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		
	<u>Movements in working capital :</u>		
	(Increase)/decrease Trade receivables	(25,878,861)	
	(Increase)/decrease in short-term loans and advances	(2,258,436)	(1,123,600)
	(Increase)/decrease in long-term loans and advances	176,739,860	(345,646,380)
	Increase/(decrease) in trade payables	(68,177,579)	65,053,198
	Increase/(decrease) in other current liabilities	(12,089,534)	14,561,149
	CASH GENERATED FROM OPERATIONS	<u>68,335,450</u>	<u>(267,155,633)</u>
	CASH FROM OPERATING ACTIVITIES	<u>68,335,450</u>	<u>(267,155,633)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of Fixed Assets/ Capital Work-in-Progress	(2,138,958)	(677,776)
	Purchase of Investments	(50,000)	
	Intangible asset under development	(460,678,271)	(752,951,026)
	NET CASH FROM INVESTING ACTIVITIES	<u>(462,867,229)</u>	<u>(753,628,802)</u>
C. CASH FROM FINANCING ACTIVITIES			
	Proceeds/(Payment) of Share Allotement	13,196,000	310,864,000
	Proceeds/(Payment) of Long term Borrowings	383,270,515	710,000,000
	NET CASH USED IN FINANCIAL ACTIVITIES	<u>396,466,515</u>	<u>1,020,864,000</u>
	Net Increase/(Decrease) in Cash & Cash Equivalents	<u>1,934,736</u>	<u>79,565</u>
	Cash & Cash Equivalents at start of the year	494,234	.414,669
	Cash & Cash Equivalents at close of the year	<u>2,428,970</u>	<u>494,234</u>
	Components of cash and bank balances		
	Cash and cash equivalents		
	Cash on hand	134,622	134,622
	Balance with scheduled banks :		
	Current account	<u>2,294,348</u>	<u>359,612</u>
	Total cash and cash equivalents	<u>2,428,970</u>	<u>494,234</u>

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS

1 to 23

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

FOR NITIN KOTHARI & CO.
CHARTERED ACCOUNTANTS
Firm Regd.No.107142W

Nitins

Nitin S. Kothari
Proprietor
M. No. 31782



Rajhoo Bbarot *Rajhoo Bbarot*
Rajhoo Bbarot Rajhoo Bbarot
DIRECTOR DIRECTOR

PLACE : MUMBAI
DATE :

30 MAY 2014

PLACE : MUMBAI
DATE :

30 MAY 2014

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ATLANTA ROPAR TOLLWAYS PRIVATE LIMITED
(formerly known as ARSS Action Ropar Tollway Private Limited)

1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014**

A) CORPORATE PROFILE

The company was incorporated on 10th August, 2011 in the name and style of "ARSS ACTION ROPAR TOLLWAY PVT.LTD" vide Certificate of Incorporation issued by The Registrar of Companies, National Territory of Delhi and Haryana which was subsequently changed to "ATLANTA ROPAR TOLLWAYS PVT.LTD". The company was incorporated as a Special Purpose Vehicle for the "Development and Operation and Maintenance of " Ropar - Chamkaur - Sahib - Neelon - Doraha (upto NH 1) Road on Design, Build, Finance, Operate and Transfer (DBFOT) basis in the State of Punjab, vide concession agreement entered on 05th October, 2011 by and between the company and Punjab Infrastructure Development Board (PIDB).

B) SIGNIFICANT ACCOUNTING POLICIES

The Significant Accounting Policies adopted by the company in respect of these financial statements are set out below:

i) Accounting Convention

The financial statements have been prepared under the historical cost convention, on an accrual basis of accounting, to comply in all material respects with the notified accounting standards by the Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The accounting policies discussed more fully below, are consistent with those used in the previous year.

ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

iii) Revenue Recognition

- a The concession agreement envisages revenue in the form of collection of user fees from the user of the project facilities from the Commercial Operation Date (COD). The company follows the mercantile system of accounting and recognizes revenue / income, cost / expenditure on accrual basis except in the case of significant uncertainties.
- b Additional claim including escalations, which in the opinion of the management, are recoverable on the contract are recognized at the time of evaluating the job.
- c The determination of revenue under the Percentage of Completion Method necessarily involves making estimates by the company which are of technical nature concerning, where relevant, the percentage of completion, costs to completion, the expected revenue from the projects and the losses, if any, to completion. Such estimates, made by the company, have been relied upon by the Auditors as these are of technical nature.
- d Revenue from other contracts is recognized based on billing schedules agreed with the clients on Progressive Completion basis.
- e Revenue from toll collection is recognized on the receipt of toll from users of the concession facility.
- f Interest income is recognized on time proportion basis.
- g Dividend income is recorded when the right to receive the dividend is established.
- h Other revenues are accounted on accrual basis.

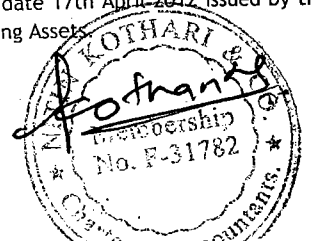
iv) Fixed Assets

- Tangible fixed assets and Depreciation

- a All fixed assets are stated at cost less accumulated depreciation thereon. The cost comprises the purchase price and attributable cost of bringing the asset to its working condition for its intended use. Revalued assets are stated at the revalued amount.
- b Depreciation is provided on straight line method at the rates and method specified in Schedule XIV of the Companies Act 1956.
- Depreciation on the revalued component of the asset has been charged in the similar manner over the residual life of the assets and withdrawn from the revaluation reserve.

- Intangible Assets Under Development

- a Right to charge the users of the project facilities is treated as an Intangible Asset. Direct and indirect attributable expenditure on construction of project facilities till the Commercial Operation Date (COD) is accumulated under Intangible Assets under development.
- b Amortization on Intangible assets is to be provided in accordance with F No.17/292/2011 CL -V date 17th April 2012 issued by the Ministry of Corporate Affairs for fixing the depreciation rates for intangible assets being BOT Tolling Assets.



iv) Investments

- a Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.
- b On initial recognition, all investments are measured at costs. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.
- c Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of long term
- d On disposal of an investment, the difference between the carrying amount and the net disposal proceeds is charged to the statement of profit and loss.

vi) Borrowing Cost

Borrowing cost attributable to construction of the project facilities are capitalized up to the date of completion of construction and are treated as part of the Intangible Assets. All borrowing cost subsequent to the completion of the project facilities are charged to statement of Profit and Loss in the period in which such cost are incurred.

vii) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

viii) Taxes on Income

Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred income taxes reflects the impact of current year/period timing differences between taxable income and accounting income for the year/period and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

ix) Earnings per share

Basic and diluted earnings per share are calculated by dividing the net profit/loss for the year/period attributed to equity shareholders by the weighted average number of equity shares outstanding during the year/period. For the purpose of calculating diluted earnings per share, the net profit or loss for the year/period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

x) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions 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.

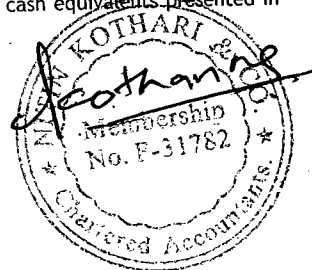
Contingent Liabilities are not recognised but disclosed in notes on financial statements. Contingent assets are neither recognized nor recorded in financial statements.

xi) Cash And Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

xii) Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in the Accounting Standard - 3 on Cash Flow Statement and presents the cash flows by operating, investing and financing activities of the company. Cash and cash equivalents presented in the cash flow statement consist of cash on hand and balance with banks.



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ATLANTA ROPAR TOLLWAYS PRIVATE LIMITED
(formerly known as ARSS Action Ropar Tollway Private Limited)
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

(Amount in Rs.)

2	SHARE CAPITAL	31-Mar-2014			31-Mar-2013		
		Face Value	No. of Shares	Amount	Face Value	No. of Shares	Amount
	Authorized Equity Share Capital	10	35,000,000	350,000,000	10	35,000,000	350,000,000
	TOTAL			<u>350,000,000</u>			<u>350,000,000</u>
	Issued, Subscribed and Paid up Equity Share Capital	10	35,000,000	350,000,000	10	33,680,400	336,804,000
	TOTAL			<u>350,000,000</u>			<u>336,804,000</u>

- 2.1 The company has one class of share referred to as equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.
- 2.2 In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.
- 2.3 The company has not allotted any shares as fully paid without payment being received in cash or as fully paid bonus and the company has not granted any options to its employees under Employees Stock Options Scheme (ESOP) since Inception.

2.4 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of Reporting Period

Particulars	31-Mar-14		31-Mar-13	
	No. of Shares	Number	No. of Shares	Number
Shares outstanding at the beginning of the year	33,680,400		2,594,000	
Shares Issued during the year	1,319,600		31,086,400	
Shares bought back during the year				
Shares outstanding at the end of the year	35,000,000		33,680,400	

Note: The Company has not issued any preference shares

- 2.5 During the year the company has allotted 13,19,600 Equity shares of Rs.10 each, at par amounting to Rs.1,31,96,000/- to Atlanta Infra assets Limited- Holding Company. (Refer note-26 for related party transaction)

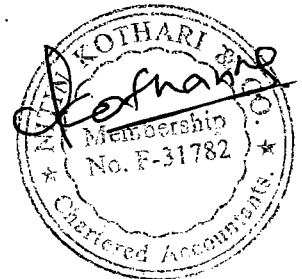
- 2.6 The particulars of shares held by holding company and Ultimate holding company
3,07,19,300 Equity Shares (Previous year 2,93,99,700) are held by Atlanta Infra assets Limited the holding company.
42,60,296 Equity Shares (Previous year 42,60,296) are held by Atlanta Limited the Ultimate holding company.

2.7 Details of Shareholders holding more than 5% Equity shares

Name of Shareholder	31-Mar-14		31-Mar-13	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Atlanta Infra Assets Ltd	30,719,300	87.77%	29,399,700	87.29%
Atlanta Ltd	4,260,296	12.17%	4,260,296	12.65%

- 2.8 There are no unpaid calls from Directors and other officers of the company

3	RESERVES AND SURPLUS	31-Mar-2014	31-Mar-2013
		Surplus/(Deficit) in the Statement of Profit and Loss As per Last balance sheet	(512,906)
	Add: Net Profit/(Loss) from statement of profit & loss.		
	TOTAL	<u>(512,906)</u>	<u>(512,906)</u>

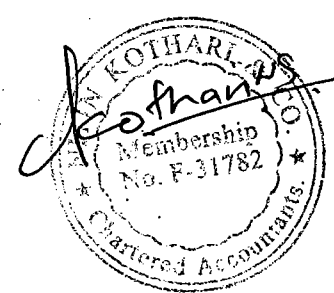


SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

4. LONG TERM BORROWINGS- SECURED	31-Mar-2014		31-Mar-2013	
	Non current portion	Current maturities	Non current portion	Current maturities
Secured				
Term loan (on underwriting basis)	912,709,721	-	710,000,000	-
TOTAL	912,709,721	-	710,000,000	-

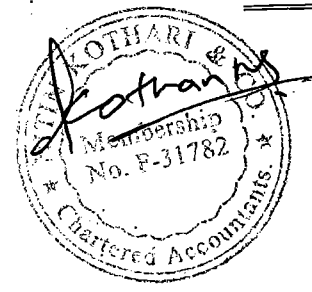
4.1 TERMS AND CONDITIONS

Term	Description
Arranger / Underwriter:	Union bank of India
Lender (s) :	Banks and Financial Institution
Facility :	Rupee Term Loan facility on Underwriting basis
Facility Amount :	Term loan of 134.00 crore on Underwriting commitment including Tack & Hold amount of 50.00 crore.
Purpose :	For Development of project highway by Two lanning with paved shoulders the Ropar-Chamkaur Sahib - Neelon reach (45.175 km) and Four-Lanning the Neelon - Doraha (up to NH-1_ reach (9.625km) on design, build, finance, operate and transfer ("DBFOT")
Final Maturity :	11 years and 9 months (i.e. 1 year and 6 months (1.5 year) construction, 6 months Moratorium & 9 years and 9 months repayment) from the appointed Date (5 Oct, 2012).
Principal Repayment :	After construction period of 18 months & Moratorium period of 6 months from Appointed Date, Repayment would be done in 117 unequal monthly instalments commencing from 05 Oct, 2014 and ending in June, 2024.
Interest Rate :	UBBR + 2.50 % (Spread) i.e. floating @ 13.00% p.a. payable monthly and will be linked to Union Bank of India Base Rate (UBBR)
Security :	<p>A) The Facility together with all interest, liquidated damages, penal interest, additional interest, fees, remuneration payable to security Trustee, costs, expenses and other monies, and all other amounts whatsoever stipulated in, or payable by the Borrower in terms of, the Financial Documents shall to the satisfaction of the Lender / Security Trustee, be secured to the extent permitted under the Concession Agreement, by :-</p> <p>a) a first mortgage and charge on all the Borrower's immovable properties, both present and future, relating to the project,</p> <p>b) a first charge of all the Borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, all other movable assets and current assets, both present and future, relating to the Project, save and except the Project Assets;</p> <p>c) a first charge on the Borrower's all bank accounts including, but not limited to the Escrow Account (including MWRA and DSRA), opened with the Escrow Bank where all cash inflows from the project, Disbursements, Receivables and all funds from time to time deposited therein and in all Authorised Investments or other securities representing all amounts credited thereto;</p> <p>d) a first charge on all intangibles of the Borrower including but not limited to goodwill, rights, undertackings and uncalled capital, present and future provided by realisation thereof shall be credited to the Escrow Account and the charge as aforesaid shall be limited to the extent Permissible under the waterfall of the priorities as per the Concession Agreement and the Escrow Agreement;</p> <p>e) a first charge on the uncalled capital of the Borrower;</p> <p>f) pledge of equity shares held by Sponsors aggregating 51% of the paid up and voting equity share capital of the Borrower up to the Final Settlement Date, subject to the satisfaction of the Lender. However the enforcement of the pledge would be in accordance with the terms of the Concession Agreement and any dilution in the equity of the consortium in the Borrower due to enforcement of pledge of shares shall be subject to minimum equity obligation of the consortium in the Borrower and shall be subject to prior approval of PIDB and in the manner as provided in the Concession Agreement.</p> <p>B) The Borrower shall make out a good and marketable title to its tangible assets and properties on which Security Interest is required to be created in favour of the Lender as aforesaid, to the satisfaction of the Lender and comply with all such formalities as may be necessary or required for the creation and perfection of the Security Interest in favour or for the benefit of the Lender.</p> <p>C) The Borrower shall execute or procure to be executed each of the Security Documents in a form and content satisfactory to the Lender.</p>



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

			<u>31-Mar-2014</u>	<u>31-Mar-2013</u>
5	LONG TERM BORROWINGS- UNSECURED			
	Long term borrowings- Unsecured (Interest free funds advanced by promoters for meeting equity component)		180,560,794	
	(Refer note-26 for related party transaction)			
	TOTAL		<u>180,560,794</u>	<u>-</u>
6	TRADE PAYABLES		<u>31-Mar-2014</u>	<u>31-Mar-2013</u>
	Trade Payables		853,994	69,031,573
	TOTAL		<u>853,994</u>	<u>69,031,573</u>
6.1	Details of dues to micro and small enterprises as defined under the MSMED Act, 2006			
	As per the information available with the Company, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal or interest.			
	The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.			
7	OTHER CURRENT LIABILITIES		<u>31-Mar-2014</u>	<u>31-Mar-2013</u>
	Interest Accrued but not due		-	2,778,400
	Share application money pending allotment		-	9,302,300
	(Refer note-26 for related party transaction)			
	TDS Payable		3,058,412	3,067,000
	TOTAL		<u>3,058,412</u>	<u>15,147,900</u>
8	TANGIBLE ASSETS		<u>31-Mar-2014</u>	<u>31-Mar-2013</u>
	Gross Block		2,986,670	740,000
	Accumulated Depreciation		169,936	62,000
	TOTAL		<u>2,816,734</u>	<u>802,000</u>
9	INTANGIBLE ASSETS UNDER DEVELOPMENT		<u>31-Mar-2014</u>	<u>31-Mar-2013</u>
	Opening Balance		758,818,986	5,867,000
	Add: Additions During the Year			7,150,490
	Independent Consultants Charges (Design charges)	747,194		615,879,719
	EPC Progress billing	368,137,358		66,556,786
	Tree cutting charges			30,672,352
	Finance charges	90,445,198		62,958
	Depreciation	106,978		112,360
	Statutory audit fees	112,360		32,516,361
	Pre-operative (finance & admin) expenses	1,129,183	460,678,271	752,951
	TOTAL		<u>1,219,497,257</u>	<u>758,818,986</u>
	Closing Balance			
	(Refer note-26 for related party transaction)			
10	NON CURRENT INVESTMENTS		<u>31-Mar-2014</u>	<u>31-Mar-2013</u>
	Particulars	Face value	Nos.	Amount
	Non-trade Investments			
	(Valued at cost unless otherwise stated)			
	(Fully paid-up unless otherwise stated)			
	Investment in Equity Instruments			
	Dombivli Nagari Sahakari Bank Ltd	50.00	1,000	50,000
	TOTAL			<u>50,000</u>



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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

	31-Mar-2014	31-Mar-2013
11 LONG TERM LOANS AND ADVANCES		
Mobilization advance	145,196,584	218,828,815
Advance against EPC billing	47,419,573	148,281,266
Advance against purchase of property		2,245,931
TOTAL	192,616,157	369,356,012
(Refer note-26 for related party transaction)		
12 TRADE RECEIVABLES	31-Mar-2014	31-Mar-2013
Less than six months	25,878,861	
PWD Punjab State		
TOTAL	25,878,861	
13 SHORT TERM LOANS AND ADVANCES	31-Mar-2014	31-Mar-2013
Advances recoverable in cash / kind	3,382,036	1,123,600
TOTAL	3,382,036	1,123,600
14 CASH AND CASH EQUIVALENTS	31-Mar-2014	31-Mar-2013
Cash on hand	134,622	134,600
Balance with Current Account	2,294,348	359,600
TOTAL	2,428,970	494,200
15 INCOME FROM OPERATION	31-Mar-2014	31-Mar-2013
Contract Receipts (Claims against Damages)	25,878,861	
TOTAL	25,878,861	
16 OPERATING EXPENSES	31-Mar-2014	31-Mar-2013
Payments to Contractor	25,878,861	
TOTAL	25,878,861	
(Refer note-26 for related party transaction)		
17 OTHER EXPENSES	31-Mar-2014	31-Mar-2013
Payment to auditors*		
TOTAL		
* Payment to auditors		112
Statutory audit fees (charged to Capital work-in-progress)	112,360	
others services	33,090	
	145,450	112



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

18 In the opinion of the Board of Directors, the current assets, Loans and Advances and Current Liabilities are approximately stated if realized in the ordinary course of business. As no confirmatory letters were obtained from debtors and creditors, their balances are reflected in the Balance sheet as appearing in the books are subject to confirmation and reconciliation, if necessary. The provisions for all other liabilities is adequate and not in excess of the amount reasonably necessary.

19 **SEGMENT INFORMATION**
 As the company's business activities falls within a single primary business segment viz. DBFOT Operations, and it operates in a single geographical segment i.e. India, the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India are not applicable. Since the principal business of the company is DBFOT Operations, additional information pursuant to the provisions of paragraphs 3 & 4 of Part II of Schedule IV of the Companies Act 1956 are given to the extent applicable.

20 Direct and indirect attributable expenditure on construction of project facility is accumulated under Intangible Assets under development till the Commercial Operation Date (COD).

21 Additional information pursuant to part II of Schedule VI of Companies Act, 1956 have been given to the extent applicable.

22 In the absence of book/tax profit or losses and consequent effect of the timing difference on the same, the provision for income tax and deferred taxes have not been made.

23 The Company is in the third year of its operations. The liability under the Payment of Gratuity Act does not arise as the Company does not have the minimum number employees for being covered under the said Act. Accordingly no provision for gratuity has been made under Accounting Standard 15. However the amount is not expected to significant.

24 Earnings Per Share:

Particulars	31-Mar-2014	31-Mar-2013
Loss attributable to Equity Shareholders	32,793,803	12,729,011
Weighted number of Equity Shares outstanding during the year	10/-	
Face value per Share		
Basic and Diluted Earnings per Share		

25 Contingent Liabilities and commitments (to the extent not provided for)

Particulars	31-Mar-2014	31-Mar-2013
I) Contingent Liability		Nil
a) Claims against the company not acknowledged as debt	Nil	Nil
b) Guarantees	Nil	Nil
c) Other money for which the company is contingently liable		
II) Commitments		1,241,181
a) Estimated amount of Total Project Cost (TPC) remaining to be executed on capital account and not provided for	780,502,743	
b) Uncalled liability on shares and other investments partly paid		
c) Other commitments		



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

26 Related Party Disclosures:
(As identified and certified by the Management and relied upon by the Auditors.)

As per the Accounting Standard (AS) - 18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, the disclosure of transactions with related parties as defined in the Accounting Standard for the year ended 31st March, 2014 is given below:

A) List of Related Parties:	
Name of the party	Relationship
Atlanta Infra Assets Limited	Holding Company
Atlanta Limited	Ultimate Holding Company
ARSS Infrastructure Projects Limited	Entity under Significant Influence

B) Transaction with Related Parties:

Balance sheet Items		Relationship	Nature of Transaction	31-Mar-2014	31-Mar-2013
Sr. No.	Name of the party/Entity				
1	Atlanta Limited	Ultimate Holding Company	Advance against Flat	2,245,936	2,245,936
2	Atlanta Limited	Ultimate Holding Company	Purchase of Flat	145,826,159	-
3	Atlanta Limited	Ultimate Holding Company	Loans/Advances taken	35,234,635	-
4	Atlanta Infra Assets Limited	Holding Company	Loans/Advances repaid	500,000	916,05
5	Atlanta Limited	Ultimate Holding Company	Mobilisation adv.paid	73,632,231	270,408,8
6	Atlanta Limited	Ultimate Holding Company	Mobilisation adv.repaid /adjusted	-	51,580,0
7	Atlanta Limited	Ultimate Holding Company	Mobilisation adv.repaid /adjusted	3,993,637	23,709,0
8	ARSS Infrastructure Projects Limited	Entity under significant influence	Share application money received	13,196,000	9,302,3
9	Atlanta Infra Assets Limited	Holding Company	Equity shares allotted	-	268,465,0
10	Atlanta Infra Assets Limited	Holding Company	Equity shares allotted	368,137,358	42,399,0
11	Atlanta Limited	Ultimate Holding Company	Payment to EPC Contract billing	219,522,295	615,879,
12	Atlanta Limited	Ultimate Holding Company	Advance against EPC Contract	-	148,281,
13	Atlanta Limited	Ultimate Holding Company	Contractor payments - Claims against damages	25,878,861	-
Profit and Loss Items					
1	Atlanta Limited	Ultimate Holding Company			
Outstanding Balance as on 31-03-2014					
Sr. No.	Name of the party/Entity	Relationship	Nature of Transaction	31-Mar-2014	31-Mar-2013
1	Atlanta Limited	Ultimate Holding Company	Mobilisation advance	145,196,584	218,82
2	Atlanta Limited	Ultimate Holding Company	Unsecured loans from promoters	145,326,159	-
3	Atlanta Infra Assets Limited	Holding Company	Unsecured loans from promoters	35,234,635	-
4	Atlanta Infra Assets Limited	Holding Company	Share application money pending for allotment	-	9,3
5	Atlanta Limited	Ultimate Holding Company	Advance against purchase of Flat	47,419,573	2,7
6	Atlanta Limited	Ultimate Holding Company	Advance against EPC Contract	-	148,7

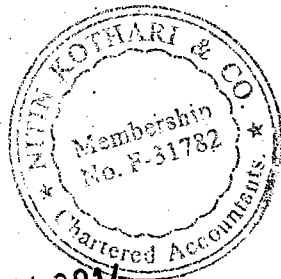
27 The company has regrouped, reclassified & rearranged the previous period figures wherever necessary to conform the current year's presentation.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR NITIN KOTHARI & CO.
CHARTERED ACCOUNTANTS
Firm Regd.No.107142W

Nitin S. Kothari
Nitin S. Kothari
Proprietor
M. No. 31782



PLACE : MUMBAI
DATE : 30 MAY 2014

Rajhoo Bbarot
Rajhoo Bbarot
DIRECTOR

Rishi Bhatnagar
Rishi Bhatnagar
DIRECTOR

PLACE : MUMBAI
DATE : 30 MAY 2014

ATLANTA ROPAR TOLLWAYS PRIVATE LIMITED
 NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Description	Balance as at 1 April 2013	Additions	Gross Block		Balance as at 31 March 2014	Balance as at 1 April 2013	Depn. charge for the year	Accumulated Depreciation/Amortization Adjustment due to revaluations	On disposals	Balance as at 31 March 2014	Net Block	
			Disposals	Balance as at 31 March 2014							Balance as at 31st March 2014	Balance as at 31 March 2013
a. Tangible Assets												
Buildings (Flat at Enclave)	740,734				740,734	62,958	36,609			36,609	2,209,327	677,776
Vehicles (Motor car)	740,734	2,245,936			2,986,670	62,958	70,370			133,328	607,406	677,776
TOTAL	740,734	2,245,936			2,986,670	62,958	106,978			169,936	2,816,734	677,776
Previous year	740,734	740,734			740,734		62,958			62,958	677,776	677,776



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ATLANTA ROPAT TOLLWAYS PRIVATE LIMITED
(formerly known as ARSS Action Ropar Tollway Pvt. Ltd.)
GROUPINGS FORMING THE PART OF BALANCE SHEET AS AT - 31-03-2014

PARTICULARS

SECURED LOANS

TERM LOAN FROM BANKS

DNS Bank Term Loan
IIFCL Term Loan (IIFCL)
UBI Term Loan A/c No. 495806390001897

Less: Current maturities

AMOUNT

137,576,537
272,875,211
502,257,973
912,709,721

TOTAL 912,709,721

UNSECURED LOANS

UNSECURED LOANS FROM PROMOTERS

Atlanta Infra Assets Limited
Atlanta Limited

Less: Current maturities

35,234,635
145,326,159
180,560,794

TOTAL 180,560,794

SHARE APPLICATION MONEY PENDING FOR ALLOTMENT

Atlanta Infra assets Limited

TOTAL -

TRADE PAYABLES / SUNDRY CREDITORS

Atul Trivedi
Louis Berger Consultancy Pvt., Ltd.
S C Maniar & co.

20,000
732,870
101,124

TOTAL 853,994

PAYABLE TO SUBSIDIARIES AND JOINT VENTURES

Atlanta Ltd

TOTAL -

TDS PAYABLE

TDS Payable on Professional Fees
TDS Payable on Contracts

157,934
2,900,478

TOTAL 3,058,412

BALANCE WITH CURRENT ACCOUNT

Dena bank - 21268
State Bank of India - 31894032182
UBI-765
UBI-766
Deposit- Dombivili Nagari Sahakari Bank Ltd

53,065
239,900
29,402
1,521,981
450,000

TOTAL 2,294,348

SHORT TERM LOAN AND ADVANCES

Advances recoverable in cash / kind
Union bank of India (Processing fees recoverable)
Excess Lead Bank Charges Recoverable From Bank

1,123,600
2,258,436

TOTAL 3,382,036

