

Bharat Road Network Limited

Standalone Financials for the Financial Year 2015-16

Corporate Identity Number (CIN): U45203WB2006PLC112235

Registered Office: Mirania Gardens, 10B Topsia Road (South), Kolkata – 700046

Independent Auditors' Report

To the Members of
Bharat Road Network Limited

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of Bharat Road Network Limited ("The Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement and a summary of significant accounting policies and other explanatory information for the year then ended.

Management responsibility for the standalone financial statement

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 standalone 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 standalone 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements.



Independent Auditors' Report (Contd.)

To the Members of
Bharat Road Network Limited

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 31st March, 2016 and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 25.8 to the standalone financial statements regarding investments in Special Purpose Vehicles formed as per Concession Agreement and guidelines of respective Government authority and treatment of such investments as Qualifying Asset which is based on the legal opinion and capitalization of directly attributable borrowing costs incurred in respect thereof. Our opinion is neither a reservation, nor a qualification or an adverse remark in respect of this matter.

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 paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - I. 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.
 - II. 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.
 - III. The Balance Sheet, the Statement of Profit and Loss and the cash flow dealt with by this Report are in agreement with the books of account.
 - IV. 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.
 - V. On the basis of the written representations received from the directors as at 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - VI. 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".
 - VII. 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:




Independent Auditors' Report (Contd.)

To the Members of
Bharat Road Network Limited

- a. The Company has disclosed the impact of pending litigations on the financial position of its standalone financial statements – Refer Note No. 25.3 to the standalone financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts required to be transferred to Investor Education and Protection Fund by the Company.

For G. P. Agrawal & Co.
Chartered Accountants
Firm Registration No. -302082E


(CA. Ajay Agrawal)
Membership No. 17643
Partner

Place of Signature: Kolkata
Dated: the 19th day of September , 2016



Independent Auditors' Report (Contd.)

To the Members of
Bharat Road Network Limited

"Annexure A" to the Auditor's Report

Statement referred to in our report of even date to the members of Bharat Road Network Limited on the standalone financial statements for the year ended 31st March, 2016.

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The fixed assets have been physically verified by the management during the year. To the best of our knowledge, no material discrepancies were noticed on such verification.
- c) As the Company has no immovable property, provisions of clause (i)(c) of para 3 of the said order is not applicable to the Company.
- (ii) As the Company has no inventory, provisions of clause (ii) of para 3 of the said order is not applicable to the Company.
- (iii) The Company has granted loans to two bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act')
 - a) In our opinion, the rate of interest and other terms and conditions on which the loan has been granted to the aforesaid bodies corporate were not, prima facie, prejudicial to the interest of the Company.
 - b) The aforesaid bodies corporate have been regular in payment of the principal and interest as stipulated.
 - c) There are no overdue amounts in respect of the loan granted to these bodies corporate.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not undertaken any transaction in respect of loans, guarantees and securities covered under Section 185 of the Act. The Company has complied with Section 186(1) of the Act in relation to investments made by the Company. The remaining provisions related to Section 186 of the Act do not apply to the Company.
- (v) The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.



Independent Auditors' Report (Contd.)

To the Members of
Bharat Road Network Limited

"Annexure A" to the Auditor's Report (Contd.)

- (vi) The provisions regarding maintenance of the cost records under Section 148(1) of the Companies Act 2013 are not applicable to the Company.
- (vii) a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Duty of Customs, Duty of Excise, Value Added tax or cess and any other statutory dues, to the extent applicable, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues, as on 31st of March, 2016 for a period of more than six months from the date they became payable.
- b) The disputed statutory dues aggregating to Rs. 23,10,000/- that have not been deposited on account of matters pending before appropriate authorities are as under:

Sl. No.	Name of the Statute	Nature of dues	Period to which pertains	Amount (`)	Forum where the dispute is pending
1	Income Tax Act, 1961	Income Tax	2012-13	23,10,000	CIT(Appeals)

- (viii) The Company has not defaulted in repayment of loans or borrowings to financial institutions or banks. The Company has not taken any loan from Government and has not issued any debentures.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. On the basis of our examination and according to the information and explanations given to us, money raised by way of term loans have been applied for the purpose for which the loans were obtained.
- (x) In our opinion and 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 year that causes the standalone financial statements materially misstated.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.




Independent Auditors' Report (Contd.)

To the Members of
Bharat Road Network Limited

"Annexure A" to the Auditor's Report (Contd.)

- (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 standalone financial statements as required by the applicable accounting standards.
- (xiv) On the basis of our examination of records and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause (xiv) of paragraph 3 of the said order is not applicable to the Company.
- (xv) On the basis of our examination of records and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year under the provisions of section 192 of the Act. Therefore, clause (xv) of paragraph 3 of the said order is not applicable to the Company.
- (xvi) On the basis of our examination of records and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For G. P. Agrawal & Co.
Chartered Accountants
Firm Registration No. -302082E


(CA. Ajay Agrawal)
Membership No. 17643
Partner

Place of Signature: Kolkata
Dated: the 19th day of September, 2016



Independent Auditors' Report (Contd.)

To the Members of
Bharat Road Network Limited

"Annexure B" to the Independent Auditor's Report of Even Date on the Standalone Financial Statements of Bharat Road Network Limited

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 Bharat Road Network Limited ("the Company") as of March 31, 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. 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, to the extent applicable to an audit of internal financial controls, 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 were 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 judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.



Independent Auditors' Report (Contd.)

To the Members of
Bharat Road Network Limited

"Annexure B" to the Independent Auditor's Report (Contd.)

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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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 the 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 March 31, 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 G. P. Agrawal & Co.

Chartered Accountants

Firm Registration No. -302082E

(CA. Ajay Agrawal)

Membership No. 17643

Partner

Place of Signature: Kolkata

Dated: the 19th day of September , 2016



BHARAT ROAD NETWORK LIMITED

Balance Sheet as at 31st March, 2016

	Note	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share Capital	2	10,00,00,000	10,00,00,000
(b) Reserves and Surplus	3	(26,89,027)	(54,08,576)
Non-Current Liabilities			
(a) Long-Term Borrowings	4	5,02,46,10,254	94,19,10,000
(b) Long-Term Provisions	5	15,91,600	20,71,650
Current Liabilities			
(a) Short-Term Borrowing	6	10,25,00,000	2,82,56,99,453
(b) Trade Payable			
- Due to Micro and Small Enterprises	7.1		
- Due to Others	7.2	41,61,537	1,02,38,010
(c) Other Current Liabilities	8	4,08,92,080	4,75,72,856
(d) Short-Term Provisions	9	1,36,530	1,08,930
		5,27,12,02,974	3,92,21,92,323
ASSETS			
Non- Current Assets			
(a) Fixed Assets			
- Tangible Assets	10	1,48,682	29,549
- Intangible Assets	10	49,382	59,599
(b) Non-Current Investments	11	4,31,23,28,424	3,81,87,46,186
(c) Deferred Tax Assets (Net)	12	-	-
(d) Long-Term Loans and Advances	13	68,40,91,553	1,16,62,340
(e) Other Non-Current Assets	14	30,69,682	-
Current Assets			
(a) Trade Receivables	15	8,43,44,977	6,05,26,709
(b) Cash and Cash Equivalents	16	3,32,060	62,72,065
(c) Short-Term Loans and Advances	17	10,86,07,940	3,28,150
(d) Other Current Assets	18	7,82,30,274	2,45,67,725
		5,27,12,02,974	3,92,21,92,323
Significant Accounting Policies	1		
Other Disclosures	25		

The accompanying notes are an integral part of the Financial Statements.
This is the Balance Sheet referred to in our report of even date.

For G. P. Agrawal & Co.
Chartered Accountants
Firm Registration No.302082E

On behalf of the Board of Directors

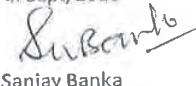

(CA Ajay Agrawal)
Partner
Membership No.17643
Place : Kolkata
Date: 19th Sept, 2016




Bajrang K Choudhary
Director
DIN : 00441872
Place : New Delhi
Date : 19th Sept, 2016




Brahm Dutt
Chairman
DIN : 05308908
Place : New Delhi
Date : 19th Sept, 2016


Sanjay Banka
CFO & Company Secretary
Place : New Delhi
Date : 19th Sept, 2016