

## DIRECTORS' REPORT

To  
The Members,  
**Gammon Road Infrastructure Limited**

Your Directors have pleasure in presenting their Seventh Annual Report together with the Audited Financial Statements and the Auditors Report for the financial year from 1<sup>st</sup> October 2014 to 31<sup>st</sup> March 2016 (hereinafter referred to as “**Financial Year**”).

<b>1.</b>	<b>FINANCIAL RESULTS / STATE OF AFFAIRS</b>								
	During the Financial Year, the Company earned Total Income of Rs. 2,34,117/- (Previous Year: Rs. 1,21,477/-). Net Profit for the Financial Year was Rs. 1,47,326/- (Previous Year: Net Loss Rs. 1,72,944/-). Profit after tax provisions was Rs. 1,47,326/- (Previous Year: Loss after tax provisions Rs. 1,47,944/-).								
<b>2.</b>	<b>DIVIDEND / TRANSFER TO RESERVE(S)</b>								
	With a view to conserve resources, no dividend has been recommended for the Financial Year. The Directors have not transferred any amount to general or other reserves.								
<b>3.</b>	<b>SHARE CAPITAL</b>								
	The Authorised and paid up share capital as at March 31, 2016 stood at 5,00,000/-. During the Financial Year, the Company has not issued shares nor has granted any stock option or sweat equity.								
<b>4.</b>	<b>NUMBER OF MEETINGS OF THE BOARD</b>								
	During the Financial Year, 11 (Eleven) Board Meetings were duly held on 21 <sup>st</sup> October 2014, 1 <sup>st</sup> November 2014, 15 <sup>th</sup> November 2014, 5 <sup>th</sup> February 2015, 20 <sup>th</sup> April 2015, 20 <sup>th</sup> June 2015, 27 <sup>th</sup> August 2015, 23 <sup>rd</sup> November 2015, 12 <sup>th</sup> January 2016, 25 <sup>th</sup> February 2016 and 23 <sup>rd</sup> March 2016. The intervening gap between the meetings was not more than 120 days as prescribed under the Companies Act, 2013. Details of attendance by each Director at the said Board meetings are as under:								
	<table border="1"><thead><tr><th>Name of Director(s)</th><th>Board Meetings attended during Financial year</th></tr></thead><tbody><tr><td>Mr. Kishor Kumar Mohanty</td><td>11</td></tr><tr><td>Mr. Raja Mukherjee (appointed w. e. f. 01-11-2014)</td><td>10</td></tr><tr><td>Mr. MSSV Ramana Murthy</td><td>11</td></tr></tbody></table>	Name of Director(s)	Board Meetings attended during Financial year	Mr. Kishor Kumar Mohanty	11	Mr. Raja Mukherjee (appointed w. e. f. 01-11-2014)	10	Mr. MSSV Ramana Murthy	11
Name of Director(s)	Board Meetings attended during Financial year								
Mr. Kishor Kumar Mohanty	11								
Mr. Raja Mukherjee (appointed w. e. f. 01-11-2014)	10								
Mr. MSSV Ramana Murthy	11								
<b>5.</b>	<b>CHANGE IN THE NATURE OF BUSINESS</b>								
	There has been no change in the nature of business during the Financial Year.								
<b>6.</b>	<b>SUBSIDIARIES / ASSOCIATES / JOINT VENTURES</b>								
	The Company does not have any subsidiary / associate or Joint Venture.								
<b>7.</b>	<b>EXTRACT OF ANNUAL RETURN</b>								
	The details forming part of the extracts of Annual Return in <b>Form MGT-9</b> as per Section 92 of the Companies Act, 2013 is annexed herewith as <b>Annexure ‘A’</b> .								

<b>8.</b>	<b>BOARD OF DIRECTORS</b>
	<p>In accordance with the provisions of the Companies Act, 2013, Mr. MSSV Ramana Murthy retires by rotation at the next Annual General Meeting and has offered for re-appointment.</p> <p>Presently, the Board of Directors comprises of Mr. Kishor Kumar Mohanty, Mr. MSSV Ramana Murthy and Mr. Raja Mukherjee.</p>
<b>9.</b>	<b>KEY MANAGERIAL PERSONNEL</b>
	Provisions of Section 203 are not applicable to the Company; hence there is no mandatory requirement to appoint key managerial personnel.
<b>10</b>	<b>DEPOSITS</b>
	The Company has not accepted any deposits covered under Chapter V of the Act.
<b>11.</b>	<b>PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY COMPANY</b>
	During the Financial Year, the Company has not made any loans, guarantees or investments as covered under Section 186 of the Companies Act, 2013.
<b>12.</b>	<b>RELATED PARTY TRANSACTIONS</b>
	The Company has not made any related party transactions covered under the provisions of section 188 of the Companies Act, 2013 hence prescribed <b>Form AOC-2</b> is not applicable.
<b>13.</b>	<b>SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS</b>
	There are no significant / material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.
<b>14.</b>	<b>DIRECTORS' RESPONSIBILITY STATEMENT</b>
	Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that:
	a. in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
	b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and of the profit of the Company for that period;
	c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
	d. the Directors had prepared the annual accounts on a going concern basis; and

	e. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
<b>15.</b>	<b>PARTICULARS OF EMPLOYEES</b>
	There are no particulars to be disclosed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
<b>16.</b>	<b>STATUTORY AUDITOR &amp; AUDITOR'S REPORT</b>
	At the 6 <sup>th</sup> AGM of the Company, M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No.: 106971W) had been appointed as the statutory auditors of the Company until the conclusion of the 11 <sup>th</sup> AGM of the Company. In terms of the provisions of the Companies Act, 2013, it is necessary to get the appointment ratified by the shareholders at every AGM until the expiry of the period of original appointment. The members are requested to ratify their appointment and fix their remuneration.  There is no audit qualification, reservation, or adverse remark or disclaimer in the Auditor's Report for the Financial Year.
<b>17.</b>	<b>CORPORATE SOCIAL RESPONSIBILITY (CSR)</b>
	CSR related provisions of the Companies Act, 2013 do not apply to the Company as the Company does not meet profit, turnover or net worth criteria prescribed in this regard.
<b>18.</b>	<b>DISCLOSURE ON WOMEN AT WORKPLACE</b>
	As the Company does not have any women employees on its payrolls, the Company was not required to formulate any policy on prevention of sexual harassment at workplace.
<b>19.</b>	<b>CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO</b>
	<p><b>(A) Conservation of energy-</b></p> <p>(i) the steps taken or impact on conservation of energy: NIL  (ii) the steps taken by the Company for utilising alternate sources of energy: NIL  (iii) the capital investment on energy conservation equipments: NIL</p> <p><b>(B) Technology absorption-</b></p> <p>(i) the efforts made towards technology absorption: NIL  (ii) the benefits derived like product improvement, cost reduction, product development or import substitution: NIL</p> <p>(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-  (a) the details of technology imported: Not Applicable  (b) the year of import: Not Applicable  (c) whether the technology been fully absorbed: Not Applicable  (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable</p> <p>(iv) the expenditure incurred on Research and Development: Not Applicable</p>

	Foreign Exchange earned in terms of actual inflows during the year: NIL Foreign Exchange outgo during the year in terms of actual outflows: NIL
<b>20.</b>	<b>MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT</b>
	No material change and commitments affecting financial position of the Company occurred between the end of financial year and the date of this report.
<b>21.</b>	<b>RISK MANAGEMENT POLICY</b>
	The Company has not developed and implemented a formal risk management policy for the Company. However, the Board of Directors periodically as a part of its review of the business consider and discuss the external and internal risk factors like market related, Government policy related matters that may threaten the existence of the Company.
<b>22.</b>	<b>ACKNOWLEDGEMENT</b>
	The Directors would like to place on record their appreciation for the valuable co-operation extended to the Company by the employees of the Company, Government Departments, Bankers, Suppliers and Customers for their continuous support to the Company.

**FOR AND ON BEHALF OF THE BOARD OF  
GAMMON ROAD INFRASTRUCTURE LIMITED**

\_\_\_\_\_  
Kishor Kumar Mohanty  
Director  
DIN: 00080498

\_\_\_\_\_  
Raja Mukherjee  
Director  
DIN: 07008101

Place: Mumbai

Date: 27<sup>th</sup> May 2016

<b>FORM NO. MGT 9</b>
<b>EXTRACT OF ANNUAL RETURN</b>
<b>as on financial year ended on 31-03-2016</b>
<b>Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration ) Rules, 2014</b>

**I REGISTRATION & OTHER DETAILS:**

i	CIN	U74990MH2009PLC194822
ii	Registration Date	August 10, 2009
iii	Name of the Company	Gammon Road Infrastructure Limited
iv	Category / Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai - 400025 Tel. no.: 022 - 6748 7200
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NIL

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

SL No	Name & Description of main products / services	NIC Code of the Product /service	% to total turnover of the company
1	Construction and maintenance of motorways, streets, roads, other vehicular and pedestrian ways, highways, bridges, tunnels and subways	42101	0

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Gammon Infrastructure Projects Limited Reg. Office: Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai - 400025	L45203MH2001 PLC131728	Holding Company	100.00%	2 (46)

#### IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

##### (i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (01-Oct-2014)				No. of Shares held at the end of the year (31-Mar-2016)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt.or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	0	50000	50000	100.00	0	50000	50000	100.00	0.00
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL:(A) (1)</b>	<b>0</b>	<b>50000</b>	<b>50000</b>	<b>100.00</b>	<b>0</b>	<b>50000</b>	<b>50000</b>	<b>100.00</b>	<b>0.00</b>
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other...	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter</b>									
<b>(A)= (A)(1)+(A)(2)</b>	<b>0</b>	<b>50000</b>	<b>50000</b>	<b>100.00</b>	<b>0</b>	<b>50000</b>	<b>50000</b>	<b>100.00</b>	<b>0.00</b>

<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIS	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (B)(2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>50000</b>	<b>50000</b>	<b>100.00</b>	<b>0</b>	<b>50000</b>	<b>50000</b>	<b>100.00</b>	<b>0.00</b>

(ii) SHARE HOLDING OF PROMOTERS

SI No.	Shareholders Name	Shareholding at the beginning of the year (01-Oct-2014)			Shareholding at the end of the year (31-Mar-2016)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Gammon Infrastructure Projects Limited	50,000.00	100.00	0.00	50,000.00	100.00	0.00	0.00
	<b>Total</b>	<b>50,000.00</b>	<b>100.00</b>		<b>50,000.00</b>	<b>100.00</b>		



## (iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Shareholding at the beginning of the Year (01-Oct-2014)		Cumulative Shareholding during the year (31-Mar-2016)	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	<b>At the beginning of the year</b>	<b>NO CHANGE</b>			
	Date wise increase / decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)				
	<b>At the end of the year</b>				

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters &amp; Holders of GDRs &amp; ADRs)

Sl. No		Shareholding at the beginning of the year (01-Oct-2014)		Cumulative Shareholding during the year (31-Mar-2016)	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	<b>For Each of the Top 10 Shareholders</b>				
	At the beginning of the year	0		0	
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	0		0	
	At the end of the year (or on the date of separation, if separated during the year)	0		0	

## (v) Shareholding of Directors &amp; KMP

Sl. No		Shareholding at the end of the year (01-Oct-2014)		Cumulative Shareholding during the year (31-Mar-2016)	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	<b>For Each of the Directors &amp; KMP</b>				
	At the beginning of the year	0		0	
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	0		0	
	At the end of the year	0		0	

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01-Oct-2014)</b>				
i) Principal Amount	0	23,013,700	0	23,013,700
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>23,013,700</b>	<b>0</b>	<b>23,013,700</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	0	0	0	0
Reduction	0	0	0	0
<b>Net Change</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Indebtedness at the end of the financial year (31-Mar-2016)</b>				
i) Principal Amount	0	23,013,700	0	23,013,700
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>23,013,700</b>	<b>0</b>	<b>23,013,700</b>

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD / WTD / Manager			Total Amount
		Not Applicable			
1	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.				
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock option				
3	Sweat Equity				
4	Commission as % of profit				
5	Others, please specify				
	<b>Total (A)</b>				
	<b>Ceiling as per the Act</b>				

**B. Remuneration to other directors:**

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors	<b>Not Applicable</b>			
	(a) Fee for attending board / committee meetings				
	(b) Commission				
	(c) Others, pls. specify				
	<b>Total (1)</b>				
2	Other Non Executive Directors	<b>Not Applicable</b>			
	(a) Fee for attending board committee meetings				
	(b) Commission				
	(c) Others, please specify.				
	<b>Total (2)</b>				
	<b>Total (B)=(1+2)</b>				
	<b>Total Managerial Remuneration</b>				
	<b>Overall Ceiling as per the Act</b>				

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		<b>Not Applicable</b>			
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.				
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
5	Others, please specify				
	<b>Total</b>				

VII **PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

**For and on behalf of the Board of Directors of  
Gammon Road Infrastructure Limited**

Name: Kishor Kumar Mohanty  
Designation: Director  
DIN: 00080498

Name: Raja Mukherjee  
Designation: Director  
DIN: 07008101

Place: Mumbai

Date: 27-May-2016

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of  
Gammon Road Infrastructure Limited**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Gammon Road Infrastructure Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the period from October 01, 2014 to March 31, 2016 ("period"), and a summary of 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 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 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 accounting policies used and the reasonableness of the accounting estimates made by 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.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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 period ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. 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 Act, we give in the Annexure 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:
  - (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 Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of section 164(2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has no pending litigations that will impact its financial position in its financial statements.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There are no amounts that are required to be transferred to the Investor Education and Protection Fund.

For Natvarlal Vepari & Co.  
Chartered Accountants  
Firm Registration no.106971W

Ruchi Tamhankar  
Partner  
Membership No. 136667

Mumbai, Dated: May 27, 2016

## **ANNEXURE TO AUDITOR'S REPORT**

- i) The Company does not have any fixed assets and hence clause 3(i)(a) and 3(i)(b) of the Companies (Auditor's Report) Order 2015 are not applicable.
- ii) The company does not have any inventory and hence clause 3(ii)(a), 3(ii)(b) and 3(ii)(c) of the Companies (Auditor's Report) Order 2015 are not applicable.
- iii) The Company has not granted any fresh loans to parties covered in the register maintained u/s 189 of the Companies Act, 2013. The loans already granted are not due for recovery presently and therefore there is no default in its recovery and there is no overdue.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, purchase of services. The Company did not have any transactions of purchase of goods and fixed assets and sale of goods or services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- v) The Company has not accepted any deposit from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and rules framed thereunder. Therefore, clause 3(v) of the Companies (Auditors Report) Order 2015 is not applicable to the Company. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of the said sections.
- vi) According to the information and explanation given to us, the Company is not required to maintain the cost records prescribed u/s 148(1) of the Companies Act, 2013 and hence clause 3(vi) of the Companies (Auditors' Report) Order 2015 is not applicable.
- vii)
  - a) The Company has been generally regular in depositing undisputed statutory dues with the appropriate authorities during the period. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2016 for a period of more than six months from the date of becoming payable.
  - b) There are no disputed amounts that are required to be deposited with the relevant authorities.
  - c) No Amount is required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act 2013 and Rules made thereunder.
- viii) The accumulated losses of the company are in excess of 50% of the networth. The company has not incurred cash loss in current financial period but has incurred cash losses in the immediately preceding financial period.
- ix) According to the information and explanations given to us and based on the documents and records produced to us, the company has not obtained any loans from Financial Institutions or Banks. The company has also not raised any funds by way of debentures. Hence clause 3(ix) of the Companies (Auditors Report) Order 2015 is not applicable.



- x) According to the information and explanations given to us and the representations made by the management, the Company has not given any guarantee for loans taken by others from any bank or financial institution and hence clause 3(x) of Companies (Auditors Report) Order 2015 is not applicable.
- xi) The company did not take any term loans during the period and hence clause 3(xi) of Companies (Auditors Report) Order 2015 is not applicable.
- xii) According to the information and explanations given to us and to the best of our knowledge and belief no fraud on or by the Company has been noticed or reported during the period.

For Natvarlal Vepari & Co.  
Chartered Accountants  
Firm Registration no.106971W

Ruchi Tamhankar  
Partner  
Membership No: 136667

Mumbai, Dated: May 27, 2016

**GAMMON ROAD INFRASTRUCTURE LIMITED**

CIN: U74990MH2009PLC194822

**BALANCE SHEET AS AT MARCH 31, 2016**

(All amounts in Indian rupees unless otherwise stated)

	Notes	As at March 31, 2016 Rupees	As at September 30, 2014 Rupees
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share Capital	3	500,000	500,000
Reserves and Surplus	4	<u>(8,970,135)</u>	<u>(9,117,461)</u>
		<b>(8,470,135)</b>	<b>(8,617,461)</b>
<b>Non - current liabilities</b>			
Long - term borrowing	5	23,013,700	23,013,700
<b>Current Liabilities</b>			
Trade payables	6	-	-
- Total outstanding dues of MSME		20,000	16,854
- Total outstanding dues of creditors other than MSME		<u>77,224</u>	<u>416,574</u>
Other current liabilities	7	<b>23,110,924</b>	<b>23,447,128</b>
<b>TOTAL</b>		<b><u>14,640,789</u></b>	<b><u>14,829,667</u></b>
<b>Assets</b>			
<b>Non current assets</b>			
Non Current Investments	8	50,000	50,000
Deferred Tax Assets		28,073	-
Long-term loans and advances	9	<u>6,242,039</u>	<u>6,265,185</u>
		<b>6,320,112</b>	<b>6,315,185</b>
<b>Current assets</b>			
Cash and cash equivalents	10	7,872,395	8,276,140
Other current asset	11	<u>448,282</u>	<u>238,342</u>
		<b>8,320,677</b>	<b>8,514,482</b>
<b>TOTAL</b>		<b><u>14,640,789</u></b>	<b><u>14,829,667</u></b>

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Natvarlal Vepari & Co.  
Chartered Accountants  
Firm Registration No. 106971WFor and behalf of the Board of Directors of  
Gammon Road Infrastructure LimitedRuchi Tamhankar  
Partner  
Membership No. : 136667Kishore Kumar Mohanty  
Director  
DIN: 0080498Raja Mukherjee  
Director  
DIN: 07008101Place: Mumbai  
Date : May 27, 2016

## GAMMON ROAD INFRASTRUCTURE LIMITED

CIN: U74990MH2009PLC194822

## STATEMENT OF PROFIT AND LOSS FOR THE EIGHTEEN MONTHS PERIOD ENDED MARCH 31, 2016

(All amounts in Indian rupees unless otherwise stated)

	Notes	Eighteen Months Period ended March 31, 2016 Rupees	Nine Months Period ended September 30, 2014 Rupees
<b>Income</b>			
Revenue from operations		-	-
Other income	12	<u>234,117</u>	<u>121,477</u>
<b>Total income (A)</b>		<u><b>234,117</b></u>	<u><b>121,477</b></u>
<b>Expenses</b>			
Other Expenses	13	<u>86,791</u>	<u>294,421</u>
<b>Total Expenses (B)</b>		<u><b>86,791</b></u>	<u><b>294,421</b></u>
<b>Earnings before interest, tax, depreciation and amortization (EBITDA) (A - B)</b>		<b>147,326</b>	<b>(172,944)</b>
Depreciation and amortisation		-	-
Finance costs		-	-
<b>Profit/(Loss) before tax</b>		<b>147,326</b>	<b>(172,944)</b>
Tax expenses			
Current Tax		28,073	-
MAT credit entitlement		(28,073)	-
Excess provision for tax		-	<u>(25,000)</u>
<b>Total tax expense</b>		<b>-</b>	<b>(25,000)</b>
<b>Profit/(Loss) for the year</b>		<u><b>147,326</b></u>	<u><b>(147,944)</b></u>
<b>Earnings per equity share ('EPS')</b>			
Basic	14	<b>2.95</b>	<b>(2.96)</b>
Diluted		<b>2.95</b>	<b>(2.96)</b>
(Nominal value of shares Rs. 10 each)			

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Natvarlal Vepari & Co.  
Chartered Accountants  
Firm Registration No. 106971W

For and behalf of the Board of Directors of  
Gammon Road Infrastructure Limited

Ruchi Tamhankar  
Partner  
Membership No. : 136667

Kishore Kumar Mohanty  
Director  
DIN: 0080498

Raja Mukherjee  
Director  
DIN: 07008101

Place: Mumbai  
Date : May 27, 2016

**GAMMON ROAD INFRASTRUCTURE LIMITED**

CIN: U74990MH2009PLC194822

**CASH FLOW STATEMENT FOR THE EIGHTEEN MONTHS PERIOD ENDED MARCH 31, 2016**

(All amounts in Indian rupees unless otherwise stated)

	<b>Eighteen Months Period ended March 31, 2016 Rupees</b>	<b>Nine Months Period ended September 30, 2014 Rupees</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before Tax	147,326	(172,944)
Non cash adjustments for :		
Interest income	(233,266)	
Sundry balances written back	-	(5,056)
	<u>(233,266)</u>	<u>(5,056)</u>
Operating profit before working capital changes	<b>(85,940)</b>	<b>(178,000)</b>
Movements in working capital :		
Increase/(decrease) in trade payables and other liabilities	(336,204)	415,360
Decrease / (increase) in trade and other receivables	-	-
	<u>(336,204)</u>	<u>415,360</u>
<b>Cash (used in) / generated from the operations</b>	<b>(422,144)</b>	<b>237,360</b>
Direct Taxes paid	(4,927)	(403,000)
<b>Net Cash (used in) / generated from the operations</b>	<b><u>(427,071)</u></b>	<b><u>(165,640)</u></b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES :</b>		
Interest received	23,326	(116,421)
<b>Net Cash (used in)/from Investment activities</b>	<b><u>23,326</u></b>	<b><u>(116,421)</u></b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from borrowings	-	5,503,700
Repayment of borrowing	-	-
Interest paid	-	-
	<u>-</u>	<u>5,503,700</u>
<b>Net Cash (used in)/from financing activities</b>	<b><u>-</u></b>	<b><u>5,503,700</u></b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b><u>(403,745)</u></b>	<b><u>5,221,639</u></b>
Closing Balance of Cash and Cash Equivalents	7,872,395	8,276,140
Opening Balance of Cash and Cash Equivalents	8,276,140	3,054,501
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b><u>(403,745)</u></b>	<b><u>5,221,639</u></b>
<b>Components of Cash and Cash Equivalents</b>		
Cash and Cheques on hand	-	-
With Banks :		
- On Current Account	7,872,395	8,276,140
- On Deposit Account	-	-
<b>Total Components of Cash and Cash Equivalents</b>	<b><u>7,872,395</u></b>	<b><u>8,276,140</u></b>
Less : Fixed Deposits with Banks above 90 days	-	-
	<u>7,872,395</u>	<u>8,276,140</u>

Note : Figures in brackets denote outflows.

Summary of significant accounting policies

2.1

As per our report of even date.

For Natvarlal Vepari & Co.  
Chartered Accountants  
Firm Registration No. 106971W

For and on behalf of the Board of Directors of  
Gammon Road Infrastructure Limited

Ruchi Tamhankar  
Partner  
Membership No. : 136667

Kishore Kumar Mohanty  
Director  
DIN: 0080498

Raja Mukherjee  
Director  
DIN: 07008101

Place: Mumbai  
Date : May 27, 2016

**GAMMON ROAD INFRASTRUCTURE LIMITED**

**CIN: U74990MH2009PLC194822**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO  
FINANCIAL STATEMENTS FOR THE PERIOD FROM OCTOBER 1, 2014 TO MARCH 31, 2016**

**1 Corporate profile**

Gammon Road Infrastructure Limited ('GRIL') is incorporated under the Companies Act, 1956, on August 10, 2009, as a subsidiary of Gammon Infrastructure Projects Limited to provide, develop, own, maintain, operate, instruct, execute, carry out, improve, construct, repair, work, administer, manage, control, transfer on a build, operate and transfer (BOT) or build, own, operate and transfer (BOOT) or build, operate, lease and transfer (BOLT) basis or otherwise, make tenders, apply or bid for, acquire, transfer to operating companies in the infrastructure sector, any infrastructure facilities in the road sector including roads, streets, highways, expressways, motorways, toll roads, side roads, bridges etc either directly or through any subsidiary or group company, and to carry out the business on contractual basis, assign, convey, transfer, lease, auction, sell, the right to collect any rent, toll, compensation, charges or other income from such infrastructure projects undertaken by the Company.

**2 Basis of preparation**

The Financial Statements have been prepared to comply in all material respects with the notified accounting standards by the Companies Accounting Standards Rules, 2006 ( which are deemed to be applicable as per section 133 of the Companies Act 2013 read with rule 7 of the Companies ( Accounts) Rules, 2014 and the relevant provisions of the Companies Act 2013. The financial statements have been prepared under the historical cost convention, on an accrual basis of accounting.

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

The accounting policies discussed more fully below, are consistent with those used in the previous year.

**2.1 Summary of significant accounting policies**

**a. Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustment to the carrying amounts of assets or liabilities in future periods.

**b. Revenue recognition**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**c. Provision for tax**

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

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year 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 and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities related to the taxes on income levied by same governing taxation laws. 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.

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 and the Income Computation and Disclosure Standards issued by the Central Board of Direct Taxes.

**d. Tangible fixed assets**

Tangible assets are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the cost of the tangible asset. Any subsequent expenses related to a tangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other day to day repairs and maintenance expenditure and the cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Depreciation on all assets of the Company is charged on written down method over the useful life of assets at the rates and in the manner provided in Schedule II of the Companies Act 2013 for the proportionate period of use during the year. Depreciation on assets purchased /installed during the year is calculated on a pro-rata basis from the date of such purchase /installation.

Gains or losses arising from derecognition of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

**e. Intangible assets**

Intangible assets are stated at cost of construction less accumulated amortised amount and accumulated impairment losses, if any. Costs include direct costs of construction of the project road and costs incidental and related to the construction activity. Costs incidental to the construction activity, including financing costs on borrowings attributable to construction of the project road, have been capitalised to the project road till the date of completion of construction.

Self constructed intangible assets are amortised on a straight line basis, from the date they are put to use, over the balance period of the Contract from the date the said asset was put to use. The amortisation period and the amortisation method are reviewed at each financial year end.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

**f. Impairment**

The carrying amounts of assets including goodwill, 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, the asset is depreciated or amortised on the revised carrying amount of the asset over its remaining useful life.

**g. Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

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.

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 recognise a decline other than temporary in the value of long term

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.

**h. Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalized. Other borrowing costs are recognised as expenditure in the period in which they are incurred.

**i. Earnings per share**

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

**j. Segment reporting**

Business segments have been identified on the basis of the nature of services, the risk return profile of individual business, the organizational structure and the internal reporting system of the Company.

**k. Cash and cash equivalents**

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

**l. Provision, Contingent Assets and Contingent Liability**

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 to accounts.

Contingent assets are neither recognised nor recorded in financial statements.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle an obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

**m. Measurement of EBITDA**

The Company measures EBITDA on the basis of profit/(loss) from continuing operations. In the measurement, the Company does not include depreciation and amortisation expense, finance costs and tax expense.

**GAMMON ROAD INFRASTRUCTURE LIMITED**  
**CIN: U74990MH2009PLC194822**  
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO**  
**FINANCIAL STATEMENTS FOR THE EIGHTEEN MONTHS PERIOD ENDED MARCH 31, 2016**  
(All amounts in Indian rupees unless otherwise stated)

**3 Share capital**

<b>Particulars</b>	<b>As at March 31, 2016 Rupees</b>	<b>As at September 30, 2014 Rupees</b>
<b>Authorised shares :</b>		
50,000 (previous period : 50,000) equity shares of Rs. 10/- each	500,000	500,000
<b>Total</b>	<b>500,000</b>	<b>500,000</b>
<b>Issued, subscribed and fully paid-up shares :</b>		
50,000 (previous period : 50,000) equity shares of Rs. 10/- each	500,000	500,000
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>500,000</b>	<b>500,000</b>

**a) Shares held by holding/ultimate holding company and/or their subsidiaries/associates :**

<b>Name of the legal shareholder</b>	<b>As At March 31, 2016</b>		<b>As At September 30, 2014</b>	
	<b>Numbers</b>	<b>Rupees</b>	<b>Numbers</b>	<b>Rupees</b>
Gammon Infrastructure Projects Limited (GIPL), Holding Company	50,000	500,000	50,000	500,000
<b>Total</b>	<b>50,000</b>	<b>500,000</b>	<b>50,000</b>	<b>500,000</b>

**b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period**

<b>Particulars</b>	<b>As At March 31, 2016</b>		<b>As At September 30, 2014</b>	
	<b>Numbers</b>	<b>Rupees</b>	<b>Numbers</b>	<b>Rupees</b>
At the beginning of the period	50,000	500,000	50,000	500,000
Allotted during the period	-	-		
<b>Outstanding at the end of the period</b>	<b>50,000</b>	<b>500,000</b>	<b>50,000</b>	<b>500,000</b>

**c) Terms / rights attached to equity shares**

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. 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.

**d) Shares held by holding company/ultimate holding company and/or their subsidiaries/ associates and details of shareholders holding more than 5% shares in the Company**

<b>Shareholders holding more than 5% shares in the Company</b>	<b>As At March 31, 2016</b>		<b>As At September 30, 2014</b>	
	<b>Numbers</b>	<b>% of holding</b>	<b>Numbers</b>	<b>% of holding</b>
<b>Equity shares of Rs 10 each fully paid up</b>				
Gammon Infrastructure Projects Limited	50,000	100.00%	50,000	100.00%

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of the shares.

**4 Reserves and surplus :**

<b>Particulars</b>	<b>As at March 31, 2016 Rupees</b>	<b>As at September 30, 2014 Rupees</b>
<b>Surplus / (deficit) in the statement of Profit and Loss</b>		
Balance as per the last financials	(9,117,461)	(8,969,517)
Add : Profit /(Loss) for the period	147,326	(147,944)
<b>Net deficit in the statement of profit and loss</b>	<b>(8,970,135)</b>	<b>(9,117,461)</b>
<b>Total Reserves and Surplus</b>	<b>(8,970,135)</b>	<b>(9,117,461)</b>

**5 Borrowings**

<b>Particulars</b>	<b>Long term</b>		<b>Short term</b>	
	<b>As at March 31, 2016 Rupees</b>	<b>As at September 30, 2014 Rupees</b>	<b>As at March 31, 2016 Rupees</b>	<b>As at September 30, 2014 Rupees</b>
<b>Unsecured loan</b>				
Interest free Intercorporate deposit from GIPL (Repayable on March 31, 2018)	23,013,700	23,013,700	-	-
<b>Total short term liabilities</b>	<b>23,013,700</b>	<b>23,013,700</b>	<b>-</b>	<b>-</b>

**GAMMON ROAD INFRASTRUCTURE LIMITED**  
**CIN: U74990MH2009PLC194822**  
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO**  
**FINANCIAL STATEMENTS FOR THE EIGHTEEN MONTHS PERIOD ENDED MARCH 31, 2016**  
(All amounts in Indian rupees unless otherwise stated)

6 Trade payables	As at March 31, 2016 Rupees	As at September 30, 2014 Rupees
<b>Particulars</b>		
Trade payables		
- Total outstanding dues of MSME	-	-
- Total outstanding dues of creditors other than MSME	20,000	16,854
<b>Total trade payables</b>	<b>20,000</b>	<b>16,854</b>

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	As at March 31, 2016 Rupees	As at September 30, 2014 Rupees
<b>Particulars</b>		
<b>Other liabilities</b>		
Statutory Dues	1,000	
Dues to related parties		
Gammon Infrastructure Project Limited	76,224	416,574
Other liabilities	-	-
<b>Total other current liabilities</b>	<b>77,224</b>	<b>416,574</b>

8 Non-Current Investments (at Cost)	Face Value Rupees	Non Current March 31, 2016		Non Current September 30, 2014	
Particulars		Nos	Amount	Nos	Amount
<b>Trade Investment - Unquoted</b>					
Indian Highways Management Company Limited ( Fully paid)	10	5,000	50,000	5,000	50,000
<b>Total Loans and Advances</b>		<b>5,000</b>	<b>50,000</b>	<b>5,000</b>	<b>50,000</b>

9 Loans and Advances :	Non Current	
Particulars	March 31, 2016 Rupees	September 30, 2014 Rupees
Unsecured, considered good unless stated otherwise		
Advance tax, net of provision	1,580,774	1,603,920
<b>Dues receivable from related parties</b>		
Sidhi Singrauli Road Project Ltd.	3,587,799	3,587,799
<b>Loan to related party</b>		
Gammon India Ltd. (Repayment on 31st March 2018)	1,073,466	1,073,466
<b>Total Loans and Advances</b>	<b>6,242,039</b>	<b>6,265,185</b>

10 Cash and cash equivalents	As at March 31, 2016 Rupees	As at September 30, 2014 Rupees
<b>Particulars</b>		
<b>Balances with banks schedule bank</b>		
On Current Account	7,872,395	8,276,140
<b>Total cash and cash equivalents</b>	<b>7,872,395</b>	<b>8,276,140</b>



**GAMMON ROAD INFRASTRUCTURE LIMITED**

CIN: U74990MH2009PLC194822

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO  
FINANCIAL STATEMENTS FOR THE EIGHTEEN MONTHS PERIOD ENDED MARCH 31, 2016**

(All amounts in Indian rupees unless otherwise stated)

**11 Other current assets**

**Unsecured, considered good**

Particulars	Non Current		Current	
	March 31, 2016 Rupees	September 30, 2014 Rupees	March 31, 2016 Rupees	September 30, 2014 Rupees
Interest receivable from GIL	-	-	448,282	238,342
<b>Total Other current assets</b>	<b>-</b>	<b>-</b>	<b>448,282</b>	<b>238,342</b>

**12 Other Income**

**Particulars**

Particulars	Eighteen Months Period ended March 31, 2016 Rupees	Nine Months Period ended September 30, 2014 Rupees
	Interest income	233,266
Sundry balances written back	-	5,056
Interest on Income tax refund	851	-
<b>Total Other Income</b>	<b>234,117</b>	<b>121,477</b>

**13 Other expenses**

**Particulars**

Particulars	Eighteen Months Period ended March 31, 2016 Rupees	Nine Months Period ended September 30, 2014 Rupees
	Professional fees	22,150
ROC & Filing fees	4,485	6,051
Tendering fees	-	178,232
Sundry expenses	-	9,146
Bank charges	156	3,443
Advertisement Expenses	50,000	-
Payment to Auditor :		
towards audit fees	10,000	16,854
towards certification matters	-	4,495
<b>Total other expenses</b>	<b>86,791</b>	<b>294,421</b>

**14 Earnings per Share (EPS)**

The following reflects the profit and equity share data used in the basic and diluted EPS computation.

Particulars	March 31, 2016 Rupees	September 30, 2014 Rupees
Profit after tax (PAT)	147,326	(147,944)
Outstanding equity shares at period end	50,000	50,000
Weighted average number of equity shares in calculated EPS	50,000	50,000
Nominal value of equity shares (Rs. per share)	10	10
Basic EPS	2.95	(2.96)
Diluted EPS	2.95	(2.96)

**15 Related party transactions**

**a) Names of the related parties and related party relationships**

**List of related parties where control exists and parties with whom transactions have taken place :**

1. Gammon Infrastructure Projects Limited - Holding company
2. Gammon India Ltd - Ultimate holding company
3. Sidhi Singrauli Road Project Ltd. - Fellow subsidiary

**GAMMON ROAD INFRASTRUCTURE LIMITED**  
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(All amounts in Indian rupees unless otherwise stated)

**b) Related party transactions**

Transactions	Entities where control exists	Fellow subsidiaries	Total
Expenses incurred on behalf of the Company: Gammon Infrastructure Projects Ltd.	62,650 (421,923)		62,650 (421,923)
Repayment of expenses incurred on behalf of the Company by Gammon Infrastructure Projects Ltd.	403,000 (12,181)		403,000 (12,181)
Inter corporate deposits received Gammon Infrastructure Projects Ltd.	- (5,503,700)		(5,503,700) -
Outstanding balance expenses incurred on behalf of the Company: Gammon Infrastructure Projects Ltd.	76,224 (416,574)		76,224 (416,574)
Outstanding balance payable: Gammon Infrastructure Projects Ltd.	23,013,700 (23,013,700)		23,013,700 (23,013,700)
Balance receivable from: Gammon India Ltd.	1,073,466 (1,073,466)		1,073,466 (1,073,466)
Sidhi Singrauli Road Project Ltd.	-	3,587,799 (3,587,799)	3,587,799 (3,587,799)

(Previous period's figure in brackets)

- 16 In the opinion of the management, the current assets and loans and advances have a realizable value equal to its value stated in the balance sheet.
- 17 There are no contingent liabilities as at March 31, 2016 and September 30, 2014.
- 18 The capital commitment as at March 31, 2016 is Rs. Nil (Previous period Rs. Nil)
- 19 The Company's operations comprise only a single business and geographical segment, namely 'Infrastructure Development' in 'India'.
- 20 Previous period figures have been regrouped/reclassified wherever necessary. The current period is for the period from October 1, 2014 to March 31, 2016. The comparative figures for the previous period are for a nine month period from January 1, 2014 to September 30, 2014. The figures are not strictly comparable.

As per our report of even date

For Natvarlal Vepari & Co.  
Chartered Accountants  
Firm Registration No. 101632W

For and behalf of the Board of Directors of  
Gammon Road Infrastructure Limited

Ruchi Tamhankar  
Partner  
Membership No. : 136667

Kishore Kumar Mohanty  
Director  
DIN: 0080498

Raja Mukherjee  
Director  
DIN: 07008101

Place: Mumbai  
Date : May 27, 2016