

DIRECTORS' REPORT

To
The Members of
Sidhi Singrauli Road Project Limited

Your Directors have pleasure in presenting herewith their Fourth Annual Report on the business and operations of the Company together with the Audited Financial Statements of Accounts of the Company for the period from 1st October, 2014 to 31st March, 2016 (the "**Period**")

FINANCIAL HIGHLIGHTS

During the year the Company has incurred a loss of Rs.512,071/- (Previous year loss of Rs.7,177,687/-) which has been carried to the Balance Sheet.

PROJECT STATUS

Your Company had entered into a Concession Agreement dated May 14, 2012, with Madhya Pradesh Road Development Corporation Limited ("**MPRDC**") to implement the project for four laning of Sidhi Singrauli section of National Highway No. 75E from km. 83/4 to km 195/8 in the State of Madhya Pradesh on design, build, finance, operate and transfer basis (the "**Project**") awarded to Gammon Infrastructure Projects Limited by MPRDC.

The total project cost as per the Concession Agreement is Rs.871.15 Crores and the estimated cost of implementation of the Project at Rs.1094.16 Crores. The Company has tied up the debt portion of the cost of the Project by executing Financing Documents with lead bank Punjab National Bank Ltd. for Rs.584.06 Crores

The Engineering, Procurement and Construction (**EPC**) contract of the Project was awarded to Gammon Infrastructure Projects Limited (GIPL) including the responsibility of maintenance of the existing road for the entire Project at a cost of Rs.975.00 Crores.

Your Company has achieved financial closure and the "appointed date" for the project is notified as September 19, 2013. The EPC contractor has started construction activities and the project is completed upto 47.92%.

DIVIDEND/TRANSFER TO RESERVE(S)

In view of loss during the year, the Directors have not recommended any dividend for the financial year under review. No amount is transferred to any reserve.

SHARE CAPITAL

The paid up capital of the Company is Rs.170,41,00,000/- divided into 17,04,10,000 Equity Shares of Rs.10/- each. The Company has not granted any stock option or sweat equity.

NUMBER OF MEETINGS OF THE BOARD

During the year under review, Eight (8) Board Meetings were duly convened and held on 18/11/2014, 09/02/2015, 17/03/2015, 30/06/2016, 28/08/2015, 22/12/2015, 11/01/2016 & 28/03/2015 and the intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013. Details of attendance by each Director at the said Board meetings are as under :

Name of Director(s)	Board meetings attended during Financial Year 01/10/2014 to 31/03/2016
Mr. Raja Mukherjee	8
Mr. Atulesh Chandra Sharma	5
Mr. Sanjay Chaudhari	4
Ms. Renuka Nikhil Shitut	4
Mr. Mahesh Fogla	1
Mr. S. Birabar	1

Mr. S. Birabar, Mr. Mahesh Fogla and Mr. Atulesh Chandra Sharma, resigned on 09/02/2015, 07/03/2015 and 28/03/2016 respectively. Mr. Sanjay Chaudhary and Ms. Renuka Nikhil Shitut were appointed as Additional Directors on 12/06/2015 and 30/06/2015 respectively. Mr. Kuldeep Daryani was appointed as an Additional Director on 28/03/2016. They hold office up to the date of ensuing Annual General Meeting(AGM) and the Company has received notices from members along with requisite deposits proposing them for appointment as Directors of the Company at the AGM.

CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business during the year under review.

EXTRACT OF ANNUAL RETURN

The details forming part of the extracts of Annual Return in Form MGT-9 as per Section 92 of the Companies Act, 2013 is annexed herewith as **Annexure "A"**.

DIRECTORS

The Board of Directors presently is comprised of four professional directors namely Mr. Raja Mukherjee, Mr. Sanjay Chaudhary, Mr. Kuldeep Daryani and Ms. Renuka Nikhil Shitut.

The Company has not been able to appoint Independent Directors and constitute Board Committees like Audit Committee and Nomination and Remuneration Committee. No formal annual evaluation was made by the Board of its own performance and that of its committees and individual directors. Remuneration Policy for directors, KMPs and other employees including criteria for determining qualifications, positive attributes and independence of a director are yet to be formulated.

SUBSIDIARIES/ASSOCIATES/JOINT VENTURES

The Company does not have any subsidiary/associate or Joint Venture

KEY MANAGERIAL PERSONNEL

There was no appointment of any Key Managerial Personnel during the year under review.

DEPOSITS

During the current year under review, your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the under review, the Company did not grant any loan or made any investments or provide any guarantee as covered under the provisions of section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

Transactions with related parties in the ordinary course of the Company's business are detailed in Note No.22 to the financial statements.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that –

- (i) in the preparation of annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) 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 01/10/2014 to 31/03/2016 and of loss of the Company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared the annual accounts on a going concern basis; and
- (v) 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.

PARTICULARS OF EMPLOYEES

There are no particulars to be disclosed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

STATUTORY AUDITOR & AUDITOR'S REPORT

Your Board recommends the appointment of M/s. Natvarlal Vepari & Co., Chartered Accounts as Statutory Auditors of the Company. The Company has obtained written consent and letter confirming eligibility from them. Members are requested to appoint Auditors and fix their remuneration.

The comments in the Auditor's Report read with the relevant notes to accounts in Schedule referred to are self-explanatory and do not call for further explanations.

SECRETARIAL AUDIT

The Secretarial Auditors' have qualified their report by stating :

1. The Company has not appointed any KMP, as envisaged in Section 2013 of the Companies act, 2013.
2. The Board composition is not as per Section 149 of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

3. The Company has not constituted any Audit Committee and Nomination & Remuneration Committee. Also the Company has not established any vigilance Mechanism for their Directors and Employees.

The Board would like to inform that necessary steps are being taken for the appointment of relevant managerial personnel and committees.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Provisions of the Companies Act, 2013 related to CSR do not apply to the Company as the Company does not meet profit, turnover or net worth criteria prescribed in this regard.

CONVERSION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

(A) Conservation of energy- N.A.

- (i) the steps taken or impact on conservation of energy;
- (ii) the steps taken by the company for utilising alternate sources of energy;
- (iii) the capital investment on energy conservation equipments;

(B) Technology absorption- N.A.

- (i) the efforts made towards technology absorption;
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
- (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;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) the expenditure incurred on Research and Development.

(C) Foreign exchange earnings and Outgo-

Foreign Exchange earned in terms of actual inflows during the year-NIL
Foreign Exchange outgo during the year in terms of actual outflows- NIL

MATERIAL CHANGES AND COMMITMENTS

No material change and commitments affecting financial position of the Company occurred between the end of financial year and the date of this report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company is yet to establish a vigil mechanism.

RISK MANAGEMENT

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 Government policies, macro and micro economy factors, Company financials and operations related specific factors, foreign currency rate fluctuations and related matters that may threaten the existence of the Company.

The Board is of the opinion that there are no major risks affecting the existences of the Company.

INTERNAL CONTROLS

The Board is of the opinion that there exists adequate internal controls commensurate with the size and operations of the Company.

DISCLOSURE ON WOMEN AT WORKPLACE

Provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 do not apply to the Company as there was no women employed by the Company.

INTERNAL FINANCIAL CONTROLS & THEIR ADEQUACY

Your Company's internal control systems commensurate with the nature and size of its business operations. Your Company has adequate internal financial controls in place to ensure safeguarding of its assets, prevention of frauds and errors, protection against loss from unauthorized use or disposition and the transactions are authorised, recorded and reported diligently in the Financial Statements.

ACKNOWLEDGMENT

The Directors acknowledge with gratitude the co-operation and support received from the Company's Bankers, shareholders and other stakeholders. They wish to place on record their sincere appreciation of the services rendered by all members of staff and employees of the Company.

**FOR AND ON BEHALF OF THE BOARD
SIDHI SINGRAULI ROAD PROJECT LIMITED**

Raja Mukherjee	Sanjay Chaudhary
Director	Director
DIN-07008181	DIN-05157682

Place : Mumbai
Date : 02/06/2016

**Annexure "A" to the Directors' Report
FORMNO.MGT-9**

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015

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

I. REGISTRATION AND OTHER DETAILS

i	Corporate Identity Number (CIN)	U74999DL2012PLC234738
ii	Registration Date	24/04/2012
iii	Name of the Company	Sidhi Singrauli Road Project Limited
iv	Category	Company Limited By Shares
v	Sub-Category of the Company	Indian Non-Government Company
vi	Address of the Registered office and contact details	Second Floor, Plot No.360, Block-B, Sector-19, Dwarka, New Delhi-110075.
vii	Whether listed company Yes/No	No
viii	Name, Address and contact details of Registrar and transfer Agent, if any	Not Applicable

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:

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Construction of Roads, railways, utility projects.	Main Activity group code – F NIC Code 42101	0%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Gammon Infrastructure Projects Limited Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai-400025	L45203MH2001PLC131728	Holding Company	100	2(46)

ii)Overseas	-	-	-	-	-	-	-	-	-
b)Individuals	-	-	-	-	-	-	-	-	-
i)Individual shareholders holding nominal share capital upto Rs.1 lakh	-	-	-	-	-	-	-	-	-
ii)Individual shareholders holding nominal share capital in excess of Rs.1 lakh	-	-	-	-	-	-	-	-	-
c)Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C.Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	170409994	6	170410000	100	170409994	6	170410000	100	0

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding 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	170410000	100	58	170410000	100	96	0
		170410000	100	58	170410000	100	96	0

(iii) Change in Promoter's Shareholding (Please specify, if there is no change) THERE IS NO CHANGE

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

	At the beginning of the year	170410000	100	170410000	100
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	No transaction during the year			
	At the End of the year	170410000	100	170410000	100

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

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

(v) Shareholding of Directors and Key Managerial Personnel :

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
	At the beginning of the year	-	-	-	-
	Date-wise Increase/	-	-	-	-

	Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	At the End of the year (or on the date of separation, if separated during the year)	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i)Principal Amount	975231957	73716042		1048947999
ii)Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	975231957	73716042		1048947999
Change in Indebtedness during the financial year				
- Addition	1941800000	279000000		2220800000
- Reduction				
Net Change				
Indebtedness at the end of the financial year	2917031957	352716042		3269747999
i)Principal Amount				
ii)Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	2917031957	352716042		3269747999

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing director, Whole-time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1	Gross Salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of Profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors :

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
	3. Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
	4. Other Non-Executive Directors	-	-	-	-	-
	Fee for attending	-	-	-	-	-

	board committee meetings					
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of Profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT /COURT]	Appeal made, if any (give Details)
A.COMPANY					
Penalty	No Penalties, Punishments or Compounding of Offences				
Punishment					
Compounding					

B.DIRECTORS	
Penalty	No Penalties, Punishments or Compounding of Offences
Punishment	
Compounding	
C.OTHER OFFICERS IN DEFAULT	
Penalty	No Penalties, Punishments or Compounding of Offences
Punishment	
Compounding	

**FOR AND ON BEHALF OF THE BOARD
SIDHI SINGRAULI ROAD PROJECT LIMITED**

Raja Mukherjee
Director
DIN-07008101

Sanjay Chaudhary
Director
DIN-05157682

Place : Mumbai
Date :02/06/2016

Veeraraghavan. N
Practicing Company Secretary

C/o First Maritime Private Limited
201, Gheewala Building,
M.P.Road, Mulund East,
Mumbai – 400081.
Mob.9821528844

Form No. MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2016

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

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2016.

To
The Members,
Sidhi Singrauli Road Projects Limited

I, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sidhi Singrauli Road Projects Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and return filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2016 , according to the provisions of :

- (i). The Companies Act, 2013 (the Act) and the rules made thereunder:
- (ii). The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder

(iii). The Depositories Act 1996 and the Regulations and bye-laws framed thereunder:

(iv). Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:

(v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):

The Company being a unlisted public company, the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) as not applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standard issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited. --- The Company being an unlisted public company, the listing agreements are not applicable to the Company.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- 1. The Company has not appointed any KMP, as envisaged in Section 203 of the Act.**
- 2. The Board composition is not as per Section 149 of the Act.**
- 3. The Company has not constituted any Audit Committee and Nomination & Remuneration Committee. Also, not established any Vigilance Mechanism for their Directors and Employees.**
- 4. The current financial year of the Company is from 1st October 2014 to 31st March 2016**
- 5. The Company has entered into related party transactions, the details of which are given in the Audited Final Accounts.**
- 6. The Company had received a Notice from Ministry of Corporate Affairs, for non appointment of Woman Director. The Company had responded to the same appropriately and appointed woman director with effect from 30th June, 2015.**

I further report that:

The Board of Directors of the Company is not duly constituted

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through, while the dissenting members' views (if any) are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and insure compliance with applicable laws, rules, regulations and guidelines.

Signature

Name of PCS: Veeraraghavan N

ACS NO.6911

CP NO. 4334

Place : Mumbai

Date : 30/05/2016

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Sidhi Singrauli Road Project Limited**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Sidhi Singrauli Road Project 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 Loss 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

N Jayendran
Partner
Membership No.040441

Mumbai, Dated: 2nd June 2016

ANNEXURE TO AUDITOR'S REPORT

- i) (a) The Company has maintained proper records showing full Particulars, including quantitative details and Situation of Fixed Assets;
- (b) The Fixed Assets have been Physically verified by the management at reasonable intervals and any material discrepancies noticed on such verification have been properly dealt with in the books of account
- 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 unsecured loans to any party covered in the register maintained u/s 189 of the Companies Act, 2013 and hence clause 3(iii)(a) and 3(iii)(b) of the Companies (Auditor's Report) Order 2015 are not applicable.
- 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, for the purchase of fixed assets and for sale of goods and 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) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of Cost records under section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However we have not carried out detailed examination of the same.
- vii) a) The Company has been generally regular in depositing undisputed statutory dues with the appropriate authorities during the year. 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 Company has not completed five years since registration and hence clause 3 (viii) of the Companies (Auditors Report) order 2015 is not applicable.
- ix) *According to the information and explanations given to us, the Company has defaulted in payment of interest dues to financial institution and Banks. The amounts of delays in interest servicing in respect of term loan is Rs.52.89 Lacs for a period ranging from 1 day to 275 days. The said amounts include the continuing default as at balance sheet date on repayment of interest which is shown in financial statements. The Company does not have any outstanding dues in respect of debentures during the period.*
- 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 term Loan taken during the period have been applied for the purpose for which the loans were obtained.
- 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 year.

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

N Jayendran
Partner
Membership No: 040441

Mumbai, Dated: 2nd June 2016

SIDHI SINGRAULI ROAD PROJECT LIMITED

CIN: U74999DL2012PLC234738

BALANCE SHEET AS AT MARCH 31, 2016

(All amounts in Indian Rupees unless otherwise stated)

Particulars	Notes	As at 31-Mar-16	As at 30-Sep-14
Equity and Liabilities			
Shareholders' funds			
Share Capital	3	1,704,100,000	1,704,100,000
Reserves and Surplus	4	<u>1,010,140,228</u>	<u>(15,123,621)</u>
		2,714,240,228	1,688,976,379
Non-current liabilities			
Long-term borrowings	5	3,269,747,999	1,048,947,999
Long-term provisions	6	<u>574,620</u>	<u>610,925</u>
		3,270,322,619	1,049,558,924
Current liabilities			
Trade payables	7		
- Total outstanding dues of MSME			
- Total outstanding dues of Trade payables other than MSME		3,558,853	126,124
Other current liabilities	8	320,402,635	512,614,724
Short-term provisions	6	<u>286,175</u>	<u>69,388</u>
		324,247,663	512,810,236
TOTAL		<u>6,308,810,510</u>	<u>3,251,345,539</u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	306,122	576,687
Intangible assets under development	10	4,853,934,670	1,767,335,298
Long term loans and advances	11	<u>1,015,783,761</u>	<u>1,371,225,823</u>
		5,870,024,553	3,139,137,808
Current assets			
Trade receivables	13	4,986,557	1,325,992
Cash and cash equivalents	14	433,700,683	110,506,408
Short-term loans and advances	11	-	375,331
Other current assets	12	<u>98,717</u>	<u>-</u>
		438,785,957	112,207,731
TOTAL		<u>6,308,810,510</u>	<u>3,251,345,539</u>

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
Sidhi Singrauli Road Project LimitedN Jayendran
Partner
Membership No. : 040441Raja Mukherjee
Director
DIN:07008101Kuldeep Daryani
Director
DIN:06790262Place: Mumbai
Date : June 2, 2016

SIDHI SINGRAULI ROAD PROJECT LIMITED
CIN: U74999DL2012PLC234738
STATEMENT OF PROFIT AND LOSS FOR THE EIGHTEEN MONTHS PERIOD ENDED MARCH 31, 2016
(All amounts in Indian Rupees unless otherwise stated)

Particulars	Notes	Eighteen Months period ended 31-Mar-16	Nine months period ended 30-Sep-14
Income			
Income from operations	15	51,009,410	18,766,541
Other income		-	-
Total (A)		51,009,410	18,766,541
Expenses			
Expenses towards change of scope		51,009,410	18,766,541
Other expenses	16	512,071	7,177,687
Total expenses		51,521,481	25,944,228
Earnings before interest, tax, depreciation and amortisation (EBITDA)		(512,071)	(7,177,687)
Depreciation and amortisation		-	-
Finance costs		-	-
Profit/(Loss) before tax		(512,071)	(7,177,687)
Tax expenses		-	-
Profit/(Loss) for the period		(512,071)	(7,177,687)
Earnings per equity share ('EPS')			
Basic	17	(0.00)	(0.06)
Diluted		(0.00)	(0.06)

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
Sidhi Singrauli Road Project Limited

N Jayendran
Partner
Membership No. : 040441

Raja Mukherjee
Director
DIN:07008101

Kuldeep Daryani
Director
DIN:06790262

Place: Mumbai
Date : June 2, 2016

SIDHI SINGRAULI ROAD PROJECT LIMITED
CIN: U74999DL2012PLC234738
CASH FLOW STATEMENT FOR THE EIGHTEEN MONTHS PERIOD ENDED MARCH 31, 2016
(All amounts in Indian Rupees unless otherwise stated)

Particulars	Eighteen Months period ended 31-Mar-16	Nine months period ended 30-Sep-14
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net loss before tax	(512,071)	(7,177,687)
Non cash adjustment to reconcile loss before tax to net cash flows	-	-
Operating loss before working capital changes	<u>(512,071)</u>	<u>(7,177,687)</u>
(Increase)/decrease in trade & other receivables	(3,660,565)	(1,325,992)
Increase/(decrease) in trade payables and other operating liabilities	<u>3,432,729</u>	<u>13,764</u>
Net cash (used in) / generated from operations	(739,907)	(8,489,915)
B. CASH FLOW FROM INVESTMENT ACTIVITIES :		
Payments towards purchase of fixed assets	-	(331,576)
Payments towards intangible assets under development and capital advances	(2,609,211,488)	(969,790,417)
Investments - FD with Bank	(98,717)	
Dues against capital expenses (Grant)	<u>1,025,775,920</u>	<u>-</u>
Net cash (used in)/from investment activities	(1,583,534,285)	(970,121,993)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issuance of share capital	-	695,000,000
Finance cost capitalised	(313,331,533)	(38,541,268)
Proceeds from Long term borrowings	<u>2,220,800,000</u>	<u>431,434,506</u>
Net Cash (used in)/from financing activities	1,907,468,467	1,087,893,238
Net increase/(decrease) in cash and cash equivalents	<u>323,194,275</u>	<u>109,281,330</u>
Closing balance of cash and cash equivalents	433,700,683	110,506,408
Opening balance of cash and cash equivalents	<u>110,506,408</u>	<u>1,225,078</u>
Net increase/(decrease) in cash and cash equivalents	<u>323,194,275</u>	<u>109,281,330</u>
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash and cheques on hand	1,820	2,328
With banks :		
- in current account	33,353,658	110,504,080
- Fixed Deposits with Banks	<u>400,345,205</u>	<u>-</u>
	<u>433,700,683</u>	<u>110,506,408</u>

Note : Figures in brackets denote outflows

Refer note 2.1 for Summary of significant accounting policies

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
Sidhi Singrauli Road Project Limited

N Jayendran
Partner
Membership No. : 040441

Raja Mukherjee
Director
DIN:07008101

Kuldeep Daryani
Director
DIN:06790262

Place: Mumbai
Date : June 2, 2016

SIDHI SINGRAULI ROAD PROJECT LIMITED
CIN: U74999DL2012PLC234738

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

1 Corporate profile

Sidhi Singrauli Road Project Limited is incorporated under the Companies Act, 1956, on April 24, 2012, as a subsidiary of Gammon Infrastructure Projects Limited to provide, to undertake and carry on the business of four laning of Sidhi Singrauli section of National Highway No.75E from km. 83/4 to km 195/8 in the State of Madhya Pradesh on design, build, finance, operate and transfer basis.

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 (specified in 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 judgements, 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. Tangible assets and depreciation

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.

c. Intangible asset under development

Intangible asset under development comprises entirely the cost of 'Project Road' being developed by the Company to be operated on a BOT basis as described in note 1.

Intangible asset under development is stated at cost of development less accumulated impairment losses, if any. Costs include direct costs of development of the project road and costs incidental and related to the development activity. Costs incidental to the development activity, including financing costs on borrowings attributable to development of the project road, are capitalised to the project road till the date of completion of development.

d. Investments

Investments that are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried 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 investments.

SIDHI SINGRAULI ROAD PROJECT LIMITED
CIN: U74999DL2012PLC234738

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

e. Impairment

On an annual basis the company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. The recoverable amount is higher of an asset's net selling price and value in use. Value is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

After impairment, the asset is depreciated or amortised on the revised carrying amount of the asset over its remaining useful life.

f. 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.

g. Provisions

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.

h. Employee Benefits

Retirement benefits in the form of Provident Fund is a defined contribution scheme and contributions are charged to the Statement of Profit and Loss for the year when the contributions are due.

Gratuity liability, a defined benefit obligation, is provided for on the basis of, an actuarial valuation on projected unit credit method, made at the end of each financial year.

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short term employee benefit. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation on projected unit credit method made at the end of each financial year.

Actuarial gains/losses are immediately taken to Statement of Profit and Loss and are not deferred.

i. Provision for taxes

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.

j. 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.

SIDHI SINGRAULI ROAD PROJECT LIMITED
CIN: U74999DL2012PLC234738

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

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. Contingent Liability

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. Segment reporting

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

n. Measurement of EBITDA

As permitted by the *Guidance Note on the Revised Schedule VI to the Companies Act, 1956*, the Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. 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.

SIDHI SINGRAULI ROAD PROJECT LIMITED
CIN: U74999DL2012PLC234738
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO
FINANCIAL STATEMENTS FOR THE EIGHTEEN MONTHS PERIOD ENDED MARCH 31, 2016

All amount in Indian rupees unless otherwise stated

3 Share capital	As at	As at
Particulars	31-Mar-16	30-Sep-14
Authorised shares :		
171,000,000 (previous period: 170,410,000) equity shares of Rs 10/- each	1,710,000,000	1,704,100,000
Total	<u><u>1,710,000,000</u></u>	<u><u>1,704,100,000</u></u>
Issued, subscribed and fully paid-up shares :		
1,704,100,000 (previous period: 170,410,000) equity shares of Rs 10/- each	1,704,100,000	1,704,100,000
Total issued, subscribed and fully paid-up share capital	<u><u>1,704,100,000</u></u>	<u><u>1,704,100,000</u></u>

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

Name of the legal shareholder	As At		As At	
	31-Mar-16		30-Sep-14	
	Numbers	Rupees	Numbers	Rupees
Gammon Infrastructure Projects Limited ('GIPL')	170,410,000	1,704,100,000	170,410,000	1,704,100,000
Total	<u><u>170,410,000</u></u>	<u><u>1,704,100,000</u></u>	<u><u>170,410,000</u></u>	<u><u>1,704,100,000</u></u>

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

Particulars	As At		As At	
	31-Mar-16		30-Sep-14	
	Numbers	Rupees	Numbers	Rupees
At the beginning of the period	170,410,000	1,704,100,000	100,910,000	1,009,100,000
Allotted to promoter companies	-	-	69,500,000	695,000,000
Outstanding at the end of the period	<u><u>170,410,000</u></u>	<u><u>1,704,100,000</u></u>	<u><u>170,410,000</u></u>	<u><u>1,704,100,000</u></u>

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/ultimate holding company and/or their subsidiaries/ associates and details of shareholders holding more than 5% shares in the Company

Shareholders holding more than 5% shares	As at		As at	
	31-Mar-16		30-Sep-14	
	Numbers	% of holding	Numbers	% of holding
Gammon Infrastructure Projects Limited (Holding Company)	170,410,000	100%	170,410,000	100%

4 Reserves and surplus :

Particulars	As at	As at
	31-Mar-16	30-Sep-14
Surplus in the statement of Profit and Loss		
Balance at beginning of the period	(15,123,621)	(7,945,934)
Add : Profit / (Loss) for the period	(512,071)	(7,177,687)
Balance at end of the period	<u>(15,635,692)</u>	<u>(15,123,621)</u>
Other Reserves		
Capital Grant	1,025,775,920	-
Total Reserves and surplus	<u><u>1,010,140,228</u></u>	<u><u>(15,123,621)</u></u>

Capital grant represents the grant received from MPRDC towards support from the project which is in the nature of equity support and treated as a capital grant to be retained till the end of the concession period.

SIDHI SINGRAULI ROAD PROJECT LIMITED

CIN: U74999DL2012PLC234738

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

All amount in Indian rupees unless otherwise stated

Particulars	Non-current portion		Current Maturities	
	As at	As at	As at	As at
	31-Mar-16	30-Sep-14	31-Mar-16	30-Sep-14
I Term Loan (Secured)				
Indian rupee loans from banks	2,276,831,957	749,131,957	-	-
Indian rupee loans from financial institution	640,200,000	226,100,000	-	-
Total Term Loan (Secured)	2,917,031,957	975,231,957	-	-
II Unsecured loan from related parties				
Interest free Intercorporate deposit from Gammon Infrastructure Projects Limited (Repayable on March 31, 2018)	352,716,042	73,716,042	-	-
Total Term Loan (Unsecured)	352,716,042	73,716,042	-	-
Total Long - term borrowing (I + II)	3,269,747,999	1,048,947,999	-	-

I. The above term loan from financial institution is secured by a first mortgage and charge on all the Company's movable properties, immovable properties, tangible assets, intangible assets, and all bank accounts (including escrow accounts)

II. Term loan from banks carries an interest rate in the range of 11 - 13 %.

Particulars	As at	As at
	31-Mar-16	30-Sep-14
Repayment within one year from the end of the financial year	-	-
Repayment beyond one year to five years from the end of the financial year	440,965,300	118,272,150
Repayment beyond five years from the end of the financial year	2,476,066,657	856,959,807
Total	2,917,031,957	975,231,957

Particulars	Long-term		Short-term	
	As at	As at	As at	As at
	31-Mar-16	30-Sep-14	31-Mar-16	30-Sep-14
Provision for leave encashment	417,413	532,692	212,479	57,979
Provision for gratuity	157,207	78,233	73,696	11,409
Total provisions	574,620	610,925	286,175	69,388

Gratuity

Gratuity is a defined benefit plan under which employees who have completed five years or more of service are entitled to gratuity on departure from employment at an amount equivalent to 15 days salary (based on last drawn salary) for each completed year of service. The gratuity liability is unfunded.

The following tables summaries the components of net benefit expense recognized in the statement of profit & loss and in the balance sheet.

Particulars	Period ended	Period ended
	31-Mar-16	30-Sep-14
Net employees benefit expense (recognized in Employee benefit cost)		
Current Service Cost	52,015	92,436
Interest Cost	12,103	4,949
Actuarial (Gain)/Loss	77,144	(63,482)
Experience adjustment	-	-
Total	141,262	33,903
Particulars	Period ended	Period ended
	31-Mar-16	30-Sep-14
Actuarial (Gain)/Loss	77,144	(63,482)
Experience adjustment	-	-
Changes in Actuarial assumptions	-	-

The provision for gratuity as at March 31, 2016 is Rs.230,903/- . (Previous period Rs. 89,642/-)

SIDHI SINGRAULI ROAD PROJECT LIMITED
CIN: U74999DL2012PLC234738
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO
FINANCIAL STATEMENTS FOR THE EIGHTEEN MONTHS PERIOD ENDED MARCH 31, 2016

All amount in Indian rupees unless otherwise stated

The changes in the present value of the defined benefit obligation are as follows Particulars	Period ended 31-Mar-16	Period ended 30-Sep-14
Defined Benefit Obligation at the beginning of the period	89,642	55,739
Current Service Cost	52,015	92,436
Interest Cost	12,103	4,949
Actuarial (Gain)/Loss	77,144	(63,482)
Less : Benefit Paid	-	-
Defined Benefit Obligation as at closing of the period	<u><u>230,904</u></u>	<u><u>89,642</u></u>

As the Company's gratuity obligation is fully unfunded, it does not expect to contribute any amounts to its gratuity plan in the next annual period.

The principal assumptions used in determining the gratuity obligations are as follows: Particulars	Period ended 31-Mar-16	Period ended 30-Sep-14
Discount rate	7.81%	9.00%
Expected rate of return on plan assets	Not applicable	Not applicable
Attrition rate	24.00%	2.00%
Retirement age	60 years	60 years

The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

7 Trade payables Particulars	As at 31-Mar-16	As at 30-Sep-14
Trade payables		
to MSME	-	-
to others	3,558,853	126,124
Total trade payables	<u><u>3,558,853</u></u>	<u><u>126,124</u></u>

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.

8 Other current liabilities Particulars	As at 31-Mar-16	As at 30-Sep-14
Statutory dues payable	12,286,667	11,545,828
Payables to related parties		
Gammon Infrastructure Project Limited (towards retention)	302,055,224	482,799,461
Gammon Road Infrastructure Limited	3,587,799	3,587,799
Yamunanagar Panchkula Highways Projects Limited	331,576	331,576
Interest Accrued and due	1,568,917	-
Other liabilities	572,452	14,350,060
Total other liabilities	<u><u>320,402,635</u></u>	<u><u>512,614,724</u></u>

The Company has defaulted in repayment of interest for the month of February, 2016 is Rs. 7,12,571/- and March 2016 amounting to Rs. 8,56,346/-

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All amount in Indian rupees unless otherwise stated

9 Tangible assets	Office Equipments	Furniture and Fixtures	Computers	Total
Particulars				
Cost or valuation				
As at 1st January, 2014	62650	106543	178215	347,408
Additions	53,758	163,187	114,631	331,576
Sales/Disposals	-	-	-	-
As at September 30, 2014	<u>116,408</u>	<u>269,730</u>	<u>292,846</u>	<u>678,984</u>
Additions	-	-	-	-
Sales/Disposals	-	-	-	-
As at March 31, 2016	<u>116,408</u>	<u>269,730</u>	<u>292,846</u>	<u>678,984</u>
Depreciation				
As at 1st January, 2014	10833	9155	30995	50,983
Charge for the period	10,247	10,195	30,872	51,314
On Sale/Disposals	-	-	-	-
As at September 30, 2014	<u>21,080</u>	<u>19,350</u>	<u>61,867</u>	<u>102,297</u>
Charge for the period*	39,273	42,506	188,787	270,565
On Sale/Disposals	-	-	-	-
As at March 31, 2016	<u>60,353</u>	<u>61,856</u>	<u>250,654</u>	<u>372,862</u>
Net Block				
As at September 30, 2014	<u>95,328</u>	<u>250,380</u>	<u>230,979</u>	<u>576,687</u>
As at March 31, 2016	<u>56,055</u>	<u>207,874</u>	<u>42,192</u>	<u>306,122</u>

* Pursuant to the first time applicability of Schedule II of the Companies Act, 2013 to the Company from October 1, 2014, the Company has revised the depreciation rate on fixed assets as per the useful life specified in the said Schedule. Due to this, depreciation for the period from October 1, 2014 to March 31, 2016 is higher by Rs. 149,349/-. Charge of Depreciation is transferred to intangible assets under development.

10 Intangible assets under development	As at 31-Mar-16	As at 30-Sep-14
Particulars		
Developer Fees	164,099,998	109,399,998
Contract Expenses	4,243,650,405	1,535,996,133
Depreciation	372,862	102,297
<u>Finance Cost</u>		
Interest to banks and financial institution	341,206,797	29,598,751
Other finance costs	50,158,927	48,435,440
<u>Personnel Cost</u>		
Salaries	26,846,386	15,188,718
Gratuity	230,902	89,642
Leave encashment	805,379	590,671
Staff welfare and other staff benefits	358,672	295,639
<u>Administration Expenses</u>		
Professional fees	11,131,828	19,825,010
Motor car expenses	2,958,891	1,564,420
Insurance costs	7,055,386	3,463,468
Sundry expenses	5,058,237	2,785,111
Total Intangible assets under development	<u>4,853,934,670</u>	<u>1,767,335,298</u>

11 Loans and advances :

Particulars	Non Current		Current	
	31-Mar-16 Rupees	30-Sep-14 Rupees	31-Mar-16 Rupees	30-Sep-14 Rupees
Security deposit	16,850	16,850	-	-
Receivable from Holding Company:				
- Mobilization advance	677,389,958	1,370,833,642	-	-
- Others	335,536,590	-	-	-
Advance tax	1,444,844	375,331	-	-
Vat recoverable	1,395,519	-	-	375,331
Other receivables - Change of scope	-	-	-	-
Total loans and advances	<u>1,015,783,761</u>	<u>1,371,225,823</u>	<u>-</u>	<u>375,331</u>

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12 Other current assets	As at	As at
Particulars	31-Mar-16	30-Sep-14
Interest accrued receivable (from Banks, considered good)	98,717	-
Total Current Assets	98,717	-
13 Trade receivables	As at	As at
Particulars	31-Mar-16	30-Sep-14
Unsecured considered good		
Outstanding for a period exceeding six months from the date they are due for payment	2,611,002	-
Other receivables	2,375,555	1,325,992
Total Trade receivables	4,986,557	1,325,992
14 Cash and cash equivalents	As at	As at
Particulars	31-Mar-16	30-Sep-14
Cash in hand	1,820	2,328
Balances with banks :		
Bank balance on current account	33,353,658	110,504,080
Fixed Deposits with Banks	400,345,205	-
Total cash and cash equivalents	433,700,683	110,506,408
15 Income from Operations	Eighteen Months	Nine months
Particulars	Period ended	Period ended
	31-Mar-16	30-Sep-14
Change of Scope - Income - MPRDC Utility Shifting	51,009,410	18,766,541
Total Income	51,009,410	18,766,541
16 Other expenses	Eighteen Months	Nine months
Particulars	Period ended	Period ended
	31-Mar-16	30-Sep-14
Filing fees	15,252	6,112,594
Franking & Notarisation Expenses	-	694,000
Professional Fees	-	13,484
Sundry expenses		187,665
Payment to Auditor:		
Statutory audit fees	244,450	125,000
Tax audit fees	102,194	44,944
Other Service	150,175	-
Total other expenses	512,071	7,177,687
17 Earnings per Share (EPS)	Eighteen Months	Nine months
	Period ended	Period ended
	31-Mar-16	30-Sep-14
The following reflects the profit and equity share data used in the basic and diluted EPS computation.		
Profit after tax (PAT)	(512,071)	(7,177,687)
Outstanding number of equity shares	170,410,000	170,410,000
Weighted average number of equity shares for basic EPS	170,410,000	115,508,974
Weighted average number of equity shares for diluted EPS	170,410,000	115,508,974
Nominal value of equity shares (Rs. per share)	10	10
Basic EPS	(0.00)	(0.06)
Diluted EPS	(0.00)	(0.06)

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- 18 a) There are no contingent liabilities as at March 31, 2016 and as at September 30, 2014.
b) However the project of the Compy is expected to get delayed in its Schedule Completion of the Construction Phase. The Company is putting in all the efforts to complete the project without much delay beyond the schedule completion. Although the concession Agreement provide for Stringent penalties in delayed completion , the Company is confident that considering the facts beyond its control for the delays, it will be able to get extension of time from the grantor of the Concession.
- 19 The capital commitment as at March 31, 2016 is Rs. 503.60 crores (September 30, 2014 : Rs. 780.28 crores)
- 20 **Segment reporting:**
The Company's operations comprise only a single business and geographical segment, namely the operation of the road project on a BOT basis in city of Sidhi-Singrauli in Madhya Pradesh in India as per Accounting Standard (AS) 17 and hence no disclosures are required.
- 21 In the opinion of the management, all assets other than fixed assets and current investments have a realizable value in the ordinary course of business not less than the amount at which they are stated in the balance sheet and provision for all known liabilities and doubtful assets have been made.

22 Related party transactions

- a) **Names of the related parties and related party relationships**
- 1 Gammon Infrastructure Projects Limited - Holding Company
 - 2 Gammon Road Infrastructure Limited - Fellow Subsidiary
 - 3 Yamunanagar Panchkula Highway Private Limited - Fellow Subsidiary

b) **Related party transactions**

Transactions	Holding Company	Fellow Subsidiary	Total
Issue of shares by conversion of intercorporate deposits			-
Gammon Infrastructure Projects Limited	-	-	(695,000,000)
	(695,000,000)	(-)	
Inter-corporate deposits taken from			279,000,000
Gammon Infrastructure Projects Limited	279,000,000	-	(161,297,549)
	(161,297,549)	(-)	
Expenses on developer fees to:			49,831,720
Gammon Infrastructure Projects Limited	49,831,720	-	(10,297,060)
	(10,297,060)	(-)	
Expenses incurred on behalf of the Company by:			62,680,241
Gammon Infrastructure Projects Limited	62,680,241	-	(24,999,295)
	(24,999,295)	(-)	
Deposit received for directorship:			200,000
Gammon Infrastructure Projects Limited	200,000	-	(-)
	(-)	(-)	
Expenses on Construction to:			2,707,841,937
Gammon Infrastructure Projects Limited	2,707,841,937	-	(663,068,761)
	(663,068,761)	(-)	
Purchase of fixed assets from:			-
Yamunanagar Panchkula Highway Private Limited	-	-	(331,576)
	(-)	(331,576)	
Inter-corporate deposits payable:			352,716,042
Gammon Infrastructure Projects Limited	352,716,042	-	(73,716,042)
	(73,716,042)	(-)	
Outstanding balances payable to:			305,974,599
Gammon Road Infrastructure Limited	-	3,587,799	(193,196,602)
	(-)	(3,587,799)	
Gammon Infrastructure Projects Limited	302,055,224	-	
	(189,277,227)	(-)	
Yamunanagar Panchkula Highway Private Limited	-	331,576	
	(-)	(331,576)	
Mobilisation / EPC advances outstanding			1,012,926,548
Gammon Infrastructure Projects Limited	1,012,926,548	-	(1,370,833,642)
	(1,370,833,642)	(-)	

(Previous period's figure in brackets)

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23 Previous period figures

Previous period figures have been regrouped/reclassified wherever necessary. The current period is for the eighteen months period from October 1, 2014 to March 31, 2016. The comparative figures for the previous period were 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. 106971W

For and behalf of the Board of Directors of
Sidhi Singrauli Road Project Limited

N Jayendran
Partner
Membership No. : 040441

Raja Mukherjee
Director
DIN:07008101

Kuldeep Daryani
Director
DIN:06790262

Place: Mumbai
Date : June2, 2016