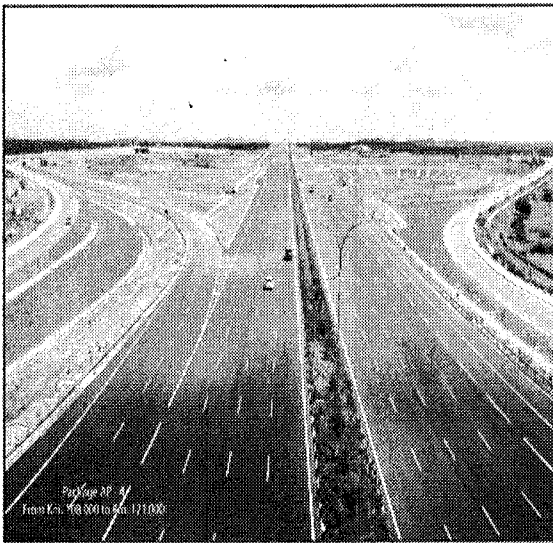


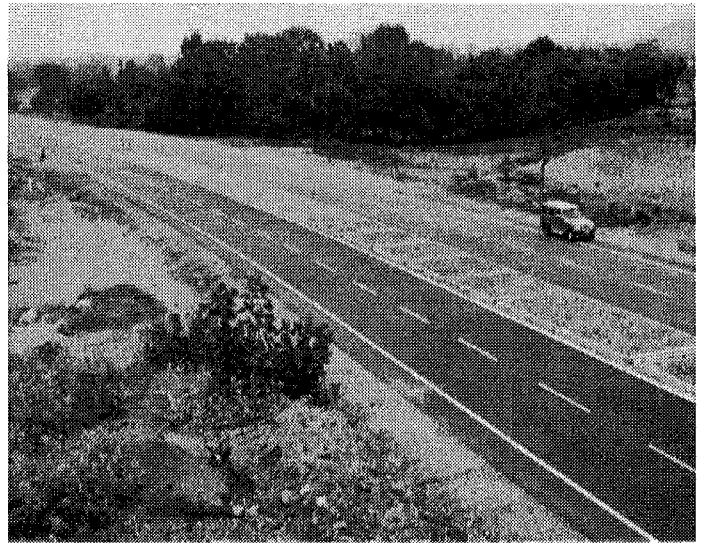


GAYATRI INFRA VENTURES LIMITED

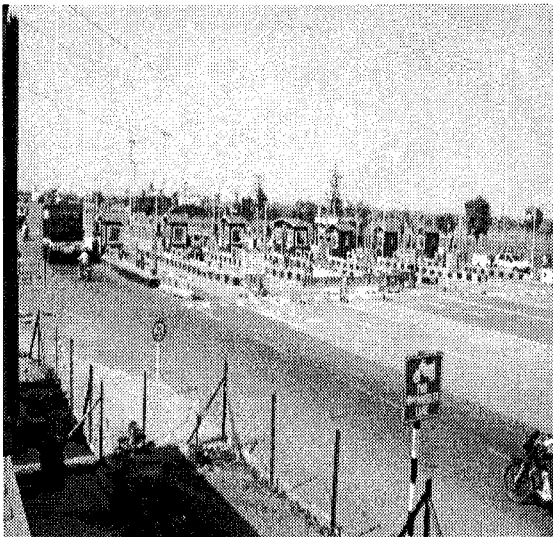
6th ANNUAL REPORT 2013-14



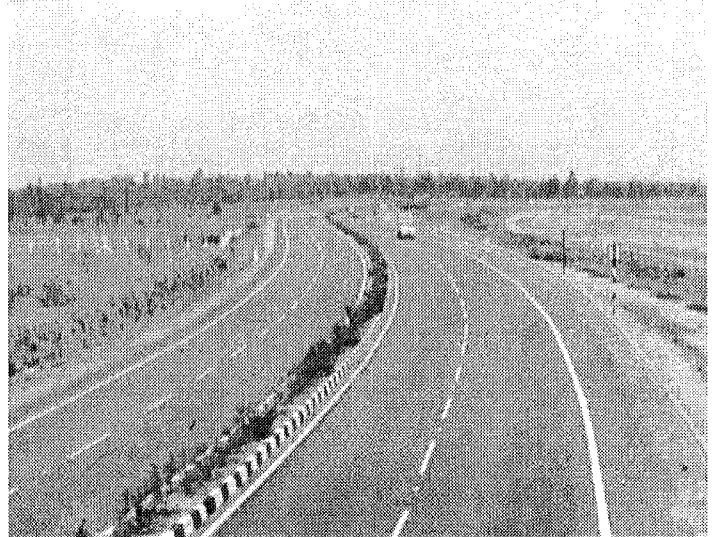
BONGULUR TO TUKKUGUDA (ORR – HYD)



JHANSI – LALITPUR SECTION OF NH – 26



INDORE TO DEWAS (NH – 3)



HYDERABAD-KARIMNAGAR-RAMAGUNDAM (SH – 1)

CERTIFIED TRUE COPY

Infrastructure is the lifeline of an economy. And we add our bit to it.

For GAYATRI INFRA VENTURES LIMITED

DIRECTOR

CORPORATE INFORMATION

BOARD OF DIRECTORS

1	Sri T.V. SANDEEP KUMAR REDDY	DIRECTOR
2	Sri J. BRIJ MOHAN REDDY	DIRECTOR
3	Sri SHARAT GOYAL	DIRECTOR
4	Sri CH. HARI VITTAL RAO	DIRECTOR

REGISTERED & CORPORATE OFFICE

6-3-1090, B-1,
TSR Towers, Raj Bhavan Road
Somajiguda
Hyderabad - 500 082.
Corporate Identification No. U45209AP2008PLC057269

AUDITORS

M/s WALKER, CHANDIOK & CO.
Chartered Accountants
7th Floor, Block III,
White House, Kundan Bagh,
Begumpet, Hyderabad - 500016.

BANKERS

Canara Bank,
Rajbhavan Road,
Somajiguda, Hyderabad.

DIRECTORS' REPORT

To
The Members,

Your Directors have immense pleasure in presenting the 6th Annual Report of your Company and the Audited Financial Statements for the year ended 31st March, 2014.

FINANCIAL RESULTS:

S. No.	Particulars	Year ended 31 st March 2014 (₹)		Year ended 31 st March 2013 (₹)	
1	Income from Operations	-		50,000,000	
2	Other Income	22,440,274		22,128,330	
	TOTAL INCOME :: A		22,440,274		72,128,330
3	Work Expenditure	-		-	
4	Employee benefits expense	2,448,000		2,390,000	
5	Finance Costs	235,739,096		231,483,973	
6	Depreciation	224,408		224,212	
7	Other expenses	7,613,944		9,681,002	
	TOTAL EXPENDITURE :: B		246,025,448		243,779,187
8	PROFIT/(LOSS) BEFORE TAX :: A		(223,585,174)		(171,650,857)
	- B				
	Less: Provision for Taxation				
	- Income Tax		-		-
	- Deferred Tax		-		-
9	PROFIT / (LOSS) AFTER TAX		(223,585,174)		(171,650,857)

THE YEAR IN RETROSPECT

Another year with a shortage of funds, the Financial Year 2013-14 was a difficult year for your Company, owing to severe shortfall of funds throughout the year. Hence, apart from the fact that the Company did not participate in bidding for any new projects, your Company also did not honour Interest commitments on the Term Loan availed from IL&FS Financial Services Ltd. on a timely basis. The loss for the current year is majorly due to the Interest cost being borne by your Company on the Term Loan availed from IL&FS Financial Services Ltd.

As mentioned in the last Annual Report, your Company has not bid for any new projects, due to shortage of funds. Further, there is also no visibility of making sustained profits in BOT projects, unless the policy paralysis at the Central Government level eases to a large extent. In view of the upcoming elections both at the State and the Centre, a stable Government at both levels can make informed decisions with regard to easing of inflation, interest rates and necessary clearances required for making BOT projects profitable.

The members are aware that your Company has advanced an amount of ₹13.67 Crores to Cyberabad Expressways Ltd. as per the Memorandum of Understanding (MoU) dated 5th August 2011, which would bear an Interest rate of 16% p.a. Once the said amount is repaid by Cyberabad Expressways Ltd., your Company would be in a better position with respect to cash flows. M/s Cyberabad Expressways Ltd. has to receive arrears of Annuity of ₹140.89 Crores, from which the dues payable to your Company will be cleared.

FUTURE OUTLOOK

At the outset, your Directors foresee an urgent and immediate need of funds for the Company, so as to enable servicing the Interest on Term Loan from IL&FS Financial Services Ltd. on quarterly basis. At present, your Company does not have funds to meet the regular administrative expenses.

Your Directors are exploring various possible avenues in this regard.

DIRECTORS

During the year under review, Mr. Anoop Seth resigned as Director w.e.f. 21st January 2014. Mr. Sharat Goyal was appointed as an Additional Director w.e.f. the said date.

RE-APPOINTMENTS

Mr. CH. Hari Vittal Rao, Director of the Company is retiring by rotation and being eligible, offers himself for re-appointment.

FIXED DEPOSITS

The Company has not accepted any deposits from the public in terms of Section 58A of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

There are no employees in the Company who are drawing prescribed salary under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information relating to Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo as required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of the Particulars in the Report of Board of Directors) Rules, 1988 is Nil.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company lays emphasis on competence and commitment of its human capital recognizing its pivotal role for organizational growth.

During the year, the Company maintained a record of peaceful employee relations. Your Directors wish to place on record their appreciation for the commitment shown by the employees throughout the year.

STATUTORY AUDITORS

M/s Walker Chandiook & Co LLP, Chartered Accountants, Hyderabad bearing ICAI Regn. No. 001076N holds the office of the Statutory Auditor until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received letter from M/s Walker Chandiook & Co LLP, Chartered Accountants, Hyderabad to the effect that their reappointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013.

SUBSIDIARY COMPANIES AND JOINTLY CONTROLLED ENTITIES

During the Financial Year ending on 31st March 2014, your Company had two subsidiaries, namely Gayatri Jhansi Roadways Ltd. and Gayatri Lalitpur Roadways Ltd. and three Jointly Controlled Entities, namely, Hyderabad Expressways Ltd., Cyberabad Expressways Ltd., Western UP Tollway Ltd.

There has been no material change in the nature of business of the subsidiaries. A statement pursuant to section 212 of the Companies Act, 1956 containing the details of the subsidiaries of the Company, forms part of the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Accounting Standards AS – 21 and AS – 27 issued by the Institute of Chartered Accountants of India and notified under the Companies (Accounting Standards) Rules, 2006, your Directors have pleasure in attaching the Consolidated Financial Statements for the financial year ended 31st March 2014, which forms part of the Annual Report and accounts.

DIRECTORS RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

- (i) That in the preparation of the Annual Accounts for the Financial year ended 31st March, 2014, the applicable accounting standards have been followed;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the Statement of Profit and Loss of the Company for the period ended 31st March, 2014;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) That the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2014 on a going concern basis.

AUDITORS REPORT

There are no qualifications in the Auditors Report.


ACKNOWLEDGEMENTS

Your Directors express their appreciation to the Company's Bankers, Statutory Auditors, Customers, Consultants and Members for their constant help, co-operation and support.

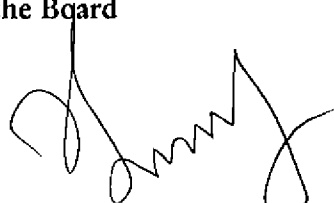
For and on behalf of the Board

Place: Hyderabad

Date: May 27, 2014


T.V. Sandeep Kumar Reddy

Director


J. Brij Mohan Reddy

Director

GAYATRI INFRA VENTURES LIMITED

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

S. No.	Name of the Subsidiary Company	Financial Year of the Subsidiary ended on	Date of becoming Subsidiary	No. of Shares in the Subsidiary held by Gayatri Infra Ventures Ltd. as on 31.03.2014	Extent of Interest of Holding Company as on 31.03.2014	Net Aggregate amount of Subsidiary Companies Profit/Loss so far as it relates to members of Holding Company	
						Dealt with in the Accounts of Gayatri Infra Ventures Ltd. (₹)	Not dealt with in the Accounts of Gayatri Infra Ventures Ltd.
1	Gayatri Jhansi Roadways Limited	31.03.2014	06.09.2008	2,16,19,994 Equity Shares of Rs.10/- each	51.00%	(96,950,420)	Nil
2	Gayatri Lalitpur Roadways Limited	31.03.2014	06.09.2008	1,62,18,000 Equity Shares of Rs.10/- each	51.00%	(84,114,844)	Nil

Independent Auditor's Report and Financial Statements

GAYATRI INFRA VENTURES LIMITED

For the Year Ended 31 March 2014

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
7th Floor, Block III, White House
Kundan Bagh, Begumpet
Hyderabad 500016
India

T +91 40 6630 8200
F +91 40 6630 8230

Independent Auditor's Report

To the Members of Gayatri Infra Ventures Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Gayatri Infra Ventures Limited, ("the Company"), which comprise the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at 141 Connaught Circus, New Delhi, 110001, India

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the 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 in the case of:
 - i) the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
 - ii) Statement of Profit and Loss, of the loss for the year ended on that date; and
 - iii) the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

7. We draw attention to note 3 to the accompanying financial statements which describes the uncertainty involving the ability of the Company to repay the dues to its lender and other creditors. Based on the mitigating factors considered in the said note, the financial statements have been prepared on a going concern basis. Our opinion is not qualified in respect of this matter.

Other Matter

8. The financial statements of the Company as at and for the year ended 31 March 2013 were audited by the Company's previous auditor, whose report dated 22 May 2013, expressed a unqualified opinion on those financial statements. The balances as at 31 March 2013 as per the audited financial statements, regrouped and/or reclassified wherever necessary, have been considered as opening balances for the purpose of these financial statements.



Walker Chandiok & Co LLP

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
10. As required by subsection (3) of Section 227 of the Act, we report that:
- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - the financial statements dealt with by this report are in agreement with the books of account;
 - in our opinion, the financial statements comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013; and
 - on the basis of written representations received from the directors, as on 31 March 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

Walker Chandiok & Co LLP
For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No.: 001076N

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner
Membership No.: 207660



Place: Hyderabad
Date: 16 May 2014

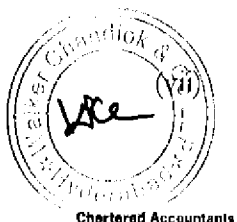
Walker Chandiook & Co LLP

Annexure to the Independent Auditor's Report of even date to the members of Gayatri Infra Ventures Limited, on the financial statements for the year ended 31 March 2014

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (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 during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) In our opinion, a substantial part of fixed assets has not been disposed-off during the year.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 4(ii) of the Order are not applicable.
- (iii) (a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(b) to 4(iii) (d) of the Order are not applicable.
- (c) The Company has taken unsecured loans from one party covered in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year and the year-end balance is ₹ 276,659,635.
- (f) In respect of interest free loans taken, there is no repayment schedule, hence, *we are unable to comment as to whether the terms and conditions are prejudicial to the interest of the Company.*
- (g) In respect of interest free loans taken, there is no repayment schedule; hence, *we are unable to comment as to whether payment of the principal amount is regular.*
- (iv) Owing to the nature of its business, the Company does not maintain any physical inventories or sell any goods and services. Accordingly, clause 4(iv) of the Order with respect to purchase of inventories and sale of goods and services is not applicable. In our opinion, 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. During the course of our audit, no major weakness has been noticed in the internal control system in respect of this area.
- (v) (a) In our opinion, the particulars of all contracts or arrangements that need to be entered into the register maintained under Section 301 of the Act have been so entered.
- (b) Owing to the unique and specialized nature of the items involved and in the absence of any comparable prices, we are unable to comment as to whether the transactions made in pursuance of such contracts or arrangements have been made at the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975. Accordingly, the provisions of clause 4(vi) of the Order are not applicable.

The Company did not have an internal audit system during the year.



Walker Chandniok & Co LLP

Annexure to the Independent Auditor's Report of even date to the members of Gayatri Infra Ventures Limited, on the financial statements for the year ended 31 March 2014

(viii) To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act, in respect of Company's activities. Accordingly, the provisions of clause 4(viii) of the Order are not applicable.

(ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues, as applicable, *have not been regularly deposited with the appropriate authorities and there have been significant delays in a large number of cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable* are as follows:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Tax deducted at source	26,989,910	2012-13	Various dates	Not yet paid
Income Tax Act, 1961	Tax deducted at source	6,883,268	April 2013 to September 2013	Various dates	Not yet paid
The Finance Act, 1994	Service tax	5,500,178	2012-13	5 September 2012	Not yet paid

(b) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹)	Amount Paid Under Protest (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	437,903	437,903	2008-09	Commissioner of Income-tax (Appeals), Hyderabad

(x) In our opinion, the Company's accumulated losses at the end of the financial year are less than fifty percent of its net worth. *The Company has incurred cash losses in the current year and immediately preceding financial year.*

(xi) There are no dues payable to banks and debenture holders during the year. *The Company has defaulted in the repayment of interest amounting to ₹ 300,662,362 to financial institutions during the year, with the period of delays ranging from 31 to 183 days. Of these, an amount of ₹ 248,116,702 was repaid before the balance sheet date and the unpaid overdue installments as at 31 March 2014 are ₹52,545,660.*

(xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable.

(xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Accordingly, provisions of clause 4(xiii) of the Order are not applicable.

(xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.



Walker Chandiok & Co LLP

Annexure to the Independent Auditor's Report of even date to the members of Gayatri Infra Ventures Limited, on the financial statements for the year ended 31 March 2014

- (xv) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 4(xv) of the Order are not applicable.
- (xvi) In our opinion, the Company has applied the term loans for the purpose for which these loans were obtained.
- (xvii) In our opinion, no funds raised on short-term basis have been used for long-term investment by the Company.
- (xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clause 4(xviii) of the Order are not applicable.
- (xix) The Company has neither issued nor had any outstanding debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable.
- (xxi) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

Walker Chandiok & Co LLP
For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No.: 001076N

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner
Membership No.: 207660



Place: Hyderabad
Date: 16 May 2014

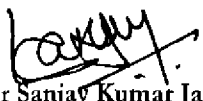
Gayatri Infra Ventures Limited
Balance Sheet as at 31 March 2014
(All amounts in ₹ unless otherwise stated)

	Notes	As at	
		31 March 2014	31 March 2013
Equity and liabilities			
Shareholders' funds			
Share capital	4	17,708,330	17,708,330
Reserves and surplus	5	1,558,528,464	1,782,113,638
		1,576,236,794	1,799,821,968
Non current liabilities			
Long term borrowings	6	-	1,350,000,000
		-	1,350,000,000
Current liabilities			
Short term borrowings	7	276,659,635	12,724,093
Trade payables	8	1,524,064	1,691,764
Other current liabilities	9	1,512,441,352	181,291,777
		1,790,625,051	195,707,634
	Total	3,366,861,845	3,345,529,602
Assets			
Non-current assets			
Fixed assets			
- Tangible assets	10	793,040	1,017,448
Non-current investments	11	859,113,206	859,113,206
Long term loans and advances	12	2,316,966,293	2,315,421,808
		3,176,872,539	3,175,552,462
Current assets			
Trade receivables	13	2,826,100	2,826,100
Cash and cash equivalents	14	79,979	207,918
Short-term loans and advances	12	187,083,227	166,943,122
		189,989,306	169,977,140
	Total	3,366,861,845	3,345,529,602

The accompanying notes 1 to 24 form an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

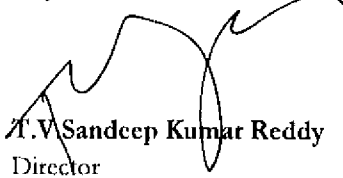
Walker Chandiook Group
For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants

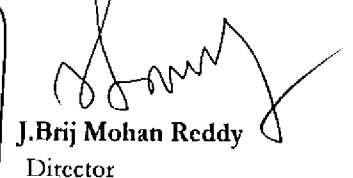

per Sanjay Kumar Jain
Partner



Place: Hyderabad
Date: 16 May 2014

For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited


T.V Sandeep Kumar Reddy
Director


J. Brij Mohan Reddy
Director

Place: Hyderabad
Date: 16 May 2014

Gayatri Infra Ventures Limited

Statement of Profit and Loss for the year ended 31 March 2014

(All amounts in ₹ unless otherwise stated)

	Notes	For the year ended	
		31 March 2014	31 March 2013
I. Revenue from operations	15	-	50,000,000
II. Other income	16	22,440,274	22,128,330
III. Total revenue		<u>22,440,274</u>	<u>72,128,330</u>
IV. Expenses			
- Employee benefits expenses	17	2,448,000	2,390,000
- Finance costs	18	235,739,096	231,483,973
- Depreciation	10	224,408	224,212
- Other expenses	19	7,613,944	9,681,002
Total expenses		<u>246,025,448</u>	<u>243,779,187</u>
V. Loss before tax		(223,585,174)	(171,650,857)
VI. Tax expense			
- Current tax		-	-
VII. Loss for the year		<u>(223,585,174)</u>	<u>(171,650,857)</u>
VIII. Earnings / (loss) per equity share (EPES)			
- Basic		(126)	(97)
Weighted average number of equity shares considered in computation of basic EPES		1,770,833	1,770,833
Nominal value per equity share		10	10

The accompanying notes 1 to 24 form an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

Walker Chandni Group
For Walker Chandniok & Co LLP
(formerly Walker, Chandniok & Co)
Chartered Accountants

Sanjay
per Sanjay Kumar Jain
Partner



For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T.V. Sandeep Kumar Reddy
T.V. Sandeep Kumar Reddy
Director

J. Brij Mohan Reddy
J. Brij Mohan Reddy
Director

Place: Hyderabad
Date: 16 May 2014

Place: Hyderabad
Date: 16 May 2014

Gayatri Infra Ventures Limited
Cash Flow Statement for the year ended 31 March 2014
(All amounts in ₹ unless otherwise stated)

	For the year ended	
	31 March 2014	31 March 2013
Cash flow from operating activities		
Loss before taxation	(223,585,174)	(171,650,857)
Adjustments for:		
Depreciation	224,408	224,212
Interest income	(21,928,558)	(21,878,517)
Interest on borrowings	228,154,525	223,896,249
Operating profit/ (loss) before working capital changes	(17,134,799)	30,591,087
Changes in working capital:		
Decrease in trade payables	(167,700)	(162,100)
Increase in other current liabilities	20,625,068	31,166,285
Decrease in long term loans and advances	643,367	(4,932,151)
Decrease in short term loans and advances	(449,440)	44,019,707
Decrease in other current assets	-	197,051
Cash from operating activities before income tax	20,651,295	70,288,792
Less: Income taxes paid	(2,187,852)	-
Net cash generated from operating activities	(A) 1,328,644	100,879,879
Cash flow from investing activities		
Interest income received	2,237,893	2,187,852
Purchase of fixed assets	-	(33,842)
Net cash from investing activities	(B) 2,237,893	2,154,010
Cash flow from financing activities		
Interest charges paid	(267,630,018)	(124,663,393)
Receipt of short-term borrowings	263,935,542	12,724,093
Net cash used in financing activities	(C) (3,694,476)	(111,939,300)
Net decrease in cash and cash equivalents	(A+B+C) (127,939)	(8,905,411)
Cash and cash equivalents at the beginning of the year	207,918	9,113,329
Cash and cash equivalents at the end of the year	79,979	207,918
Cash and cash equivalents comprises of:		
Cash on hand	3,595	4,563
Balances with banks in current accounts	76,384	203,355
	79,979	207,918

The accompanying notes 1 to 24 form an integral part of these financial statements.

This Cash Flow Statement referred to in our report of even date.

Walker Chandni Row UP
For Walker Chandniok & Co LLP

(formerly Walker, Chandniok & Co)

Chartered Accountants

Sanjay
per Sanjay Kumar Jain
Partner



For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T.V. Sandeep Kumar Reddy
T.V. Sandeep Kumar Reddy
Director

J. Brij Mohan Reddy
J. Brij Mohan Reddy
Director

Place: Hyderabad
Date: 16 May 2014

Place: Hyderabad
Date: 16 May 2014

Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

1. Company overview

Gayatri Infra Ventures Limited ("the Company") was incorporated during the year 2008 in accordance with the provisions of the Companies Act, 1956 ("the Act"). The Company, on its own and through investments in subsidiaries and joint ventures, is in the business of construction in the transport infrastructure and investments in companies engaged in the construction, operations and maintenance of roads, highways, vehicle bridges and tunnels and toll roads.

2. Summary of significant accounting policies

(a) Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("Indian GAAP") and in compliance with the mandatory accounting standards ("AS") as prescribed under the Companies (Accounting Standards) Rules, 2006 as amended ("the Rules") and the relevant provisions of the Act. Unless otherwise stated, the accounting policies applied by the Company are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Act. Based on the nature of work and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

(b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include useful lives of fixed assets, diminution other than temporary in the carrying value of long term investments and deferred taxes. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

(c) Fixed assets

Tangible assets

Tangible assets are carried at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost comprises the purchase price, freight, duties, taxes and any directly attributable cost of bringing the asset to its working condition for its intended use.

Depreciation

Depreciation on fixed assets is provided on straight-line method over their estimated useful lives at the rates which, either coincides or is higher than the rates prescribed under Schedule XIV to the Act. Individual assets costing ₹5,000 or less are entirely depreciated in the year of acquisition.



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

The estimated useful lives of fixed assets as determined by management are as follows:

Category of asset	Estimated useful life
Office equipment	21.05 years
Computer and software	6.17 years
Mobile phone (included in office equipment)	3 years

(d) Cash and cash equivalents

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

(e) Operating leases

Leases where the lessor effectively retains substantially all the risks and rewards incidental to the ownership are classified as operating leases. Lease rents in respect of cancellable operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the tenure of the lease.

(f) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Contract revenue

- Revenue from construction contracts is recognised using percentage of completion method as prescribed under AS 7 "Construction Contracts" and with reference to stage of completion of the contract activity at the reporting date. Depending on the nature and terms of individual contract, stage of completion is determined on the basis of the proportion of costs incurred for the work performed till date to the total estimated contract costs.
- Price escalation and other claims and / or variation in the contract work are included in contract revenue when:
 - Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim; and
 - The amount that is probable will be accepted by the customer can be measured reliably.
- Revenue from services rendered on a time and material basis is recognised as per the terms of contracts with customers and as and when the related services are performed. Revenue from fixed price arrangements is recognised using the completed contract method and accordingly, work completed and not billed, if any, is recognised as unbilled revenue as at the Balance Sheet date.

Interest income

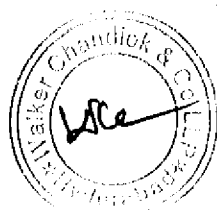
Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income

Dividend income is accounted for when the right to receive is established.

(g) Taxes on income*Current tax*

Current 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.



Gayatti Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

Deferred tax

Deferred tax charges or credits reflect the tax effect of timing differences between accounting income and taxable income for the period. The deferred tax charges or credits and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future periods; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

(h) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments. Current investments are carried at lower of cost and fair value determined on individual investment basis.

(i) Borrowing costs

Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalised as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

(j) Segment reporting

Segments are identified in line with AS-17 "Segment Reporting", taking into considerations the internal organization and management structure as well as the different risk and returns of the segment.

(k) Earnings / (loss) per equity share

Basic earnings per equity share are calculated by dividing the net profit (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during all the periods presented in the financial statements are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

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

(l) Provisions and contingent liabilities

Provision is recognized when the Company has a present obligation as a result of a past event and when 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 their present value and are determined based on management's 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 management estimates.

A disclosure of a contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

3. Going concern

As at 31 March 2014, the Company has outstanding dues towards financial institutions and other creditors to the tune of ₹1,790,625,051 which falls due for repayment within the immediately succeeding twelve months period, thereby leading to an uncertainty on the ability of the Company to repay these dues. The Company's ability to continue as a going concern is predominantly dependent on the profitable operations of all the subsidiaries, joint ventures and other investees, which have already commenced operations and the continued support from the holding Company, Gayatri Projects Limited. The management is also actively considering dilution of its stake in joint venture entities and hence based on the foregoing developments and overall assessment of other factors, the accompanying financial statements have been prepared on a going concern basis.

4. Share capital

	31 March 2014		31 March 2013	
	Number	Amount	Number	Amount
Authorized				
Equity shares of ₹10 each	2,000,000	20,000,000	2,000,000	20,000,000
	2,000,000	20,000,000	2,000,000	20,000,000
Issued, subscribed and paid-up				
Equity shares of ₹10 each fully paid up	1,770,833	17,708,330	1,770,833	17,708,330
	1,770,833	17,708,330	1,770,833	17,708,330

(a) Reconciliation of the number of equity shares outstanding at the beginning and end of the year

	31 March 2014		31 March 2013	
	Number	Amount	Number	Amount
At the beginning and end of year	1,770,833	17,708,330	1,770,833	17,708,330

(b) Terms, rights and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The rights and preferences of each shareholder are in accordance with the shareholders' agreement dated 4 August 2008. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Out of the paid-up equity share capital of the Company, 1,200,000 equity shares have been pledged in favour of H. & FS Financial Services Ltd. against term loan availed by the Company.

(c) Details of equity shares held by holding company

	31 March 2014		31 March 2013	
	Number	Amount	Number	Amount
Gayatri Projects Limited	1,247,000	12,470,000	1,247,000	12,470,000

(d) Details of shareholders holding more than 5% shares in the company :

	31 March 2014		31 March 2013	
	Number	% holding	Number	% holding
Gayatri Projects Limited	1,247,000	70.42%	1,247,000	70.42%
AMP Capital Finance Mauritius Limited	520,833	29.41%	520,833	29.41%

(e) Aggregate number and class of equity shares allotted as fully paid-up pursuant to contract without payment being received in cash:

	31 March 2014	31 March 2013
Gayatri Projects Limited	1,200,000	1,200,000



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

5. Reserve and surplus

	As at	
	31 March 2014	31 March 2013
Securities premium account		
Balance at the beginning and end of the period	2,199,619,577	2,199,619,577
Deficit in the Statement of Profit and Loss		
Balance at the beginning of the year	(417,505,939)	(245,855,082)
Add: Loss for the year	(223,585,174)	(171,650,857)
Balance at the end of the year	(641,091,113)	(417,505,939)
	1,558,528,464	1,782,113,638

6. Long term borrowings

	As at	
	31 March 2014	31 March 2013
Term loans		
Unsecured		
From others	1,350,000,000	1,350,000,000
Less: Current maturities of long-term borrowings	1,350,000,000	-
	-	1,350,000,000

a) Details of security

Term loans aggregating to ₹1,350,000,000 (31 March 2013: ₹1,350,000,000) is sought by way of

(a) pledge of 1,200,000 Equity shares held by the holding company, M/s Gayatri Projects Ltd,

(b) corporate Guarantee of Gayatri Projects Limited.

These facilities carry interest at the rate as at 31 March 2014 of 16% (31 March 2013: 15.50%)

b) Terms of repayment

Up to 1 year	1,350,000,000	-
2 to 5 years	-	1,350,000,000
	1,350,000,000	1,350,000,000

c) Details of overdue installments of interest

The interest amount overdue for repayment as at 31 March 2014 is ₹52,545,659 (31 March 2013: ₹96,197,963)

7. Short term borrowings

	As at	
	31 March 2014	31 March 2013
(Unsecured loans)		
From related party*	276,659,635	12,724,093
	276,659,635	12,724,093

*Represents the unsecured, interest free dues to the related party payable on demand.



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

8. Trade payables

Based on information available with the Company, as at 31 March 2014 (31 March 2013: Nil), there are no suppliers who are registered as micro and small enterprises under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006.

9. Other current liabilities

	As at	
	31 March 2014	31 March 2013
Current maturities of long term borrowings	1,350,000,000	-
Interest accrued and due on borrowings	52,545,659	96,197,963
Interest accrued but not due on borrowings	51,985,472	47,808,661
Statutory liabilities	56,572,856	30,167,600
Other liabilities	1,337,365	7,117,553
	1,512,441,352	181,291,777

10. Tangible assets

Particulars	Office equipment	Computers	Total
Gross block			
As at 1 April 2012	161,999	1,252,817	1,414,816
Additions	-	33,842	33,842
Disposals	-	-	-
As at 1 April 2013	161,999	1,286,659	1,448,658
Additions	-	-	-
Disposals	-	-	-
As at 31 March 2014	161,999	1,286,659	1,448,658
Accumulated depreciation			
Up to 1 April 2012	22,824	184,174	206,998
Charge for the year	15,840	208,372	224,212
Adjustment	-	-	-
Up to 31 March 2013	38,664	392,546	431,210
Charge for the year	15,840	208,568	224,408
Adjustment	-	-	-
Up to 31 March 2014	54,504	601,114	655,618
Net block			
As at 31 March 2014	107,495	685,545	793,040
As at 31 March 2013	123,335	894,113	1,017,448

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Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

11. Non-current investments

	%	31 March 2014		31 March 2013	
		holding	Number	Amount	Number
Unquoted trade investments of ₹ 10 each fully paid:					
- in subsidiaries					
Gayatri Jhansi Roadways Limited*	51.00%	21,619,994	216,199,940	21,619,994	216,199,940
Gayatri Lalitpur Roadways Limited*	51.00%	16,218,000	162,180,000	16,218,000	162,180,000
		37,837,994	378,379,940	37,837,994	378,379,940
- in joint ventures					
Hyderabad Expressways Limited	50.00%	990,000	9,900,000	990,000	9,900,000
Cyberabad Expressways Limited	50.00%	990,000	9,900,000	990,000	9,900,000
Western UP Tollway Limited*	49.00%	4,936,850	460,609,996	4,936,850	460,609,996
		6,916,850	480,409,996	6,916,850	480,409,996
- fellow subsidiaries					
Indore Dewas Tollways Limited	31.29%	16,680	166,800	16,680	166,800
		16,680	166,800	16,680	166,800
- others					
HKR Roadways Limited	11.72%	15,647	156,470	15,647	156,470
		15,647	156,470	15,647	156,470
Aggregate amount of unquoted investments		44,787,171	859,113,206	44,787,171	859,113,206

*Equity shares to the tune of 16,267,900 (31 March 2013: 16,267,900) of Gayatri Jhansi Roadways Limited, equity shares to the tune of 12,199,900 (31 March 2012: 12,199,900) of Gayatri Lalitpur Roadways Limited and equity shares to the tune of 4,936,850 (31 March 2013: 4,936,850) of Western UP Tollway Limited have been pledged in favour of Infrastructure Development Finance Company Limited for the term loan availed by the respective companies.

(i) The legal ownership of following shares vests with the holding company, M/s Gayatri Projects Limited, in accordance with the contractual provisions of the agreement. Necessary regulatory filings have however been made to reflect the company as the beneficiary.

Name of the Company	Number of equity shares	
	31 March 2014	31 March 2013
Gayatri Jhansi Roadways Limited	100	100
Gayatri Lalitpur Roadways Limited	100	100
Hyderabad Expressways Limited	262,548	262,548
Cyberabad Expressways Limited	262,548	262,548
	525,296	525,296

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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

	As at	
	31 March 2014	31 March 2013
12. Loans and advances		
(Unsecured, considered good)		
a) Long-term		
Advances to related parties		
- in subsidiaries	335,620,060	335,620,060
- in joint ventures	923,640,004	923,640,004
- in fellow subsidiaries	363,000,000	363,000,000
- in others	684,087,309	684,087,309
Advance tax	10,618,920	9,074,435
	2,316,966,293	2,315,421,808
b) Short-term		
Loans to related parties		
-To joint ventures	180,514,113	160,374,008
-To fellow subsidiaries	6,256,850	6,256,850
-To others	312,264	312,264
	187,083,227	166,943,122
13. Trade receivables		
(Unsecured, considered good)		
Due for a period exceeding six months		
- Receivable from holding company	2,826,100	2,826,100
	2,826,100	2,826,100
14. Cash and cash equivalents		
As at		
	31 March 2014	31 March 2013
Cash on hand	3,595	4,563
Balances with banks in current accounts	76,384	203,355
	79,979	207,918
15. Revenue from operations		
For the year ended		
	31 March 2014	31 March 2013
Revenue from service		
-financial and consultancy service	-	50,000,000
16. Other income		
For the year ended		
	31 March 2014	31 March 2013
Interest income from jointly controlled entities	21,878,517	21,878,517
Miscellaneous receipts	561,757	249,813
	22,440,274	22,128,330



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

17. Employee benefits expense

	For the year ended	
	31 March 2014	31 March 2013
Salaries and wages	2,448,000	2,390,000
	2,448,000	2,390,000

18. Finance costs

	For the year ended	
	31 March 2014	31 March 2013
Interest expense	228,154,525	223,896,249
Other borrowing costs	7,584,571	7,587,724
	235,739,096	231,483,973

19. Other expenses

	For the year ended	
	31 March 2014	31 March 2013
Rent	-	294,945
Rates and taxes	5,975,366	7,270,263
Repairs and maintenance - others	19,443	222,037
Legal and professional charges	269,428	1,180,492
Payments to the auditor as		
- audit fees	337,080	224,720
- other matters	955,060	-
Travelling and conveyance	21,990	362,170
Director's sitting fees	20,000	20,000
Miscellaneous expenses	15,577	106,375
	7,613,944	9,681,002

20. Commitment and contingent liabilities:

	As at	
	31 March 2014	31 March 2013
<i>Contingent liability</i>		
Disputed income tax dues	892,926	892,926
<i>Commitments</i>		
Joint and several liability in respect of associate and other projects	Not ascertainable	Not ascertainable



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

21. Related party transactions

a) Names of the related parties and description of relationship

Name of the related party	Nature of relationship
Gayatri Projects Limited	Holding Company
Gayatri Jhansi Roadways Limited	Subsidiary Companies
Gayatri Lalitpur Roadways Limited	
Indore Dewas Tollways Limited	Fellow Subsidiary
Hyderabad Expressways Limited	Jointly Controlled Entities
Cyberabad Expressways Limited	
Western UP Tollway Limited	Enterprises in which KMP and/or their relatives have significant influence
Deep Corporation Private Limited	
HKR Roadways Limited	
Balaji Highways Holding Private Limited	

b) Transactions with related parties

	For the year ended	
	31 March 2014	31 March 2013
Transactions with Gayatri Projects Limited		
<i>Payments made on behalf of the company towards</i>		
-Interest on loans	248,116,702	55,000,000
-Salaries	2,167,100	-
-Loan management fees	13,651,740	-
-Reimbursement of expenses	-	2,500,000
<i>Amounts paid by the company towards</i>		
-Deputation cost paid	-	833,000
Transactions with Hyderabad Expressways Limited		
Reimbursement of expenses	224,720	-
Transactions with Cyberabad Expressways Limited		
Interest on advances	21,878,517	21,878,517
Reimbursement of expenses	224,720	-
Transactions with Deep Corporation Limited		
Rent	-	294,945
Transactions with HKR Roadways Limited		
Reimbursement of expenses	-	50,000,000

c) Balances receivable / (payable)

	As at	
	31 March 2014	31 March 2013
Gayatri Projects Limited	(275,357,599)	(11,422,057)
Gayatri Jhansi Roadways Limited	191,800,060	191,800,060
Gayatri Lalitpur Roadways Limited	143,820,000	143,820,000
Indore Dewas Tollways Limited	368,937,686	368,937,686
Hyderabad Expressways Limited	331,324,720	331,100,000
Cyberabad Expressways Limited	394,039,393	374,124,008
Western UP Tollway Limited	378,790,004	378,790,004
HKR Roadways Limited	684,399,573	684,399,573
Balaji Highways Holding Private Limited	319,164	319,164



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

22. Deferred tax

In the absence of virtual certainty of future taxable profits supported by convincing evidence, the Company has not created deferred tax assets on unabsorbed business losses and other timing differences. The Company would be able to use unabsorbed tax depreciation and business losses to set off against future taxable income for a specified period.

23. Segment reporting

Based on the Company's business model and considering the internal financial reporting to the management, the investment in subsidiaries and joint ventures which are engaged in the business of construction in the transport infrastructure has been considered as the only reportable segment. Further all the services are rendered only in India. Hence there are no additional disclosures required to be provided in terms of Accounting Standard 17 on "Segment Reporting".

24. Comparatives

The financial statements for the previous period have been regrouped / rearranged to conform to the current year presentation wherever required.


This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

Walker Chandniok & Co LLP

For Walker Chandniok & Co LLP

(formerly Walker, Chandniok & Co)

Chartered Accountants



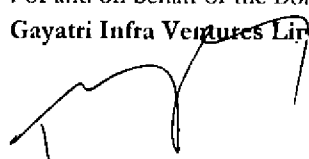
per Sanjay Kumar Jain
Partner



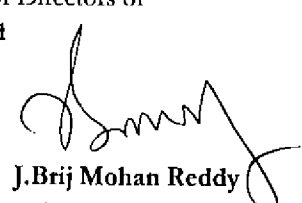
Place: Hyderabad

Date: 16 May 2014

For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited



T.V. Sandeep Kumar Reddy
Director



J. Brij Mohan Reddy
Director

Place: Hyderabad

Date: 16 May 2014

Independent Auditor's Report and Consolidated Financial
Statements

GAYATRI INFRA VENTURES LIMITED

For the Year Ended 31 March 2014

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Independent Auditor's Report

Consolidated Balance Sheet

Consolidated Statement of Profit and Loss

Consolidated Cash Flow Statement

Summary of significant accounting policies and other explanatory information

Walker Chandniok & Co LLP

Walker Chandniok & Co LLP
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7th Floor, Block III, White House
Kundan Bagh, Begumpet
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Independent Auditor's Report

To the Board of Directors of Gayatri Infra Ventures Limited

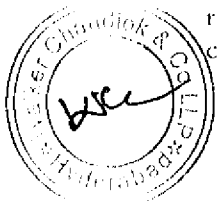
1. We have audited the accompanying consolidated financial statements of Gayatri Infra Ventures Limited, ("the Company") and its subsidiaries and joint ventures (hereinafter collectively referred to as the "Group"), which comprise the consolidated Balance Sheet as at 31 March 2014, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandniok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at 1-41 Connaught Circus, New Delhi, 110001, India

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated 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 the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

6. *The independent auditors of Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited, the subsidiaries of the Company, have qualified their auditor's report on the financial statements for the year ended 31 March 2014 and 31 March 2013 in connection with the following matters:*
 - (i) *Loans and advances of Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited include receivables of ₹272,960,257 and ₹283,594,725, respectively, given to Gayatri Projects Limited and is doubtful of recovery. The Hon'ble High Court of Andhra Pradesh has appointed an arbitrator in respect of this matter and the related proceedings are under progress.*
 - (ii) *For non-compliances with the provisions of Accounting Standard – 29, where in Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited have not disclosed contingent liabilities to the extent of ₹1,202,718,645 and ₹996,673,320, respectively, on account of escalation claims raised by the VPC contractor and not acknowledged as debts by the Company.*

Qualified Opinion

7. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and joint ventures as noted below, *except for the effects of the matter described in the Basis for Qualified Opinion paragraph*, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31 March 2014;
 - ii) in the case of the consolidated Statement of Profit and Loss, of the loss for the year ended on that date; and
 - iii) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

8. We draw attention to note 6 to the accompanying financial statements which describes the uncertainty involving the ability of the Company to repay the dues to its lender and other creditors. Based on the mitigating factors considered in the said note, the financial statements have been prepared on a going concern basis. Our opinion is not qualified in respect of this matter.



Walker Chandiook & Co LLP

Other Matters

9. We did not audit the financial statements of the subsidiaries and joint ventures included in the consolidated financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions, if any) of ₹13,165,401,183 as at 31 March 2014; total revenues (after eliminating intra-group transactions, if any) of ₹2,303,588,723 and net cash flows aggregating to ₹121,147,118 for the year then ended. These financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our audit opinion on the consolidated financial statements of the Group for the year then ended, to the extent they relate to the financial statements not audited by us as stated in this paragraph is based solely on the audit reports of the other auditors. Our opinion is not qualified in respect of this matter.
10. The consolidated financial statements of the group as at and for the year ended 31 March 2013 were audited by the Company's erstwhile auditors, whose report dated 22 May 2013, expressed a unqualified opinion on those financial statements. The balances as at 31 March 2013 as per the audited financial statements, regrouped and/or reclassified wherever necessary, have been considered as opening balances for the purpose of these consolidated financial statements.

Walker Chandiook Group
For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm Registration No.: 001076N

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner
Membership No.: 207660



Place: Hyderabad
Date: 27 May 2014

Gayatri Infra Ventures Limited
 Consolidated Balance Sheet as at 31 March 2014
 (All amount in ₹ unless otherwise stated)

	Notes	As at	
		31 March 2014	31 March 2013
Equity and liabilities			
Shareholders' funds			
Share capital	7	17,708,330	17,708,330
Reserves and surplus	8	907,828,029	1,565,617,633
		925,536,359	1,583,325,963
		189,635,455	193,132,224
Minority Interest			
Non-current liabilities			
Long-term borrowings	9	9,543,386,044	11,545,365,306
Other long-term liabilities	10	26,549,030	-
Long-term provisions	11	195,901,003	475,286,106
		9,765,836,077	12,020,651,412
Current liabilities			
Short-term borrowings	12	354,781,861	330,488,894
Trade payables	13	55,662,484	147,767,658
Other current liabilities	14	2,452,531,243	1,084,229,742
Short-term provisions	11	488,862,896	13,631,981
		3,351,838,484	1,576,118,275
		14,232,846,375	15,373,227,874
Assets			
Non-current assets			
Fixed assets			
- Tangible assets	15	5,197,924	5,227,634
- Intangible assets	16	11,192,724,025	11,426,064,314
- Intangible assets under development		23,252,069	692,394,177
Non current investments	17	323,270	323,270
Long term loans and advances	18	1,150,070,818	1,174,953,430
		12,371,568,106	13,298,962,825
Current assets			
Trade receivables	19	598,453,088	598,460,732
Cash and cash equivalents	20	273,924,428	152,905,249
Current investments	17	13,301,813	-
Short-term loans and advances	18	753,824,363	1,103,210,329
Other current assets	21	221,774,577	219,688,739
		1,861,278,269	2,074,265,049
		14,232,846,375	15,373,227,874

The accompanying notes 1 to 31 form an integral part of these consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

Walker Chandni & Co LLP
 For Walker Chandniok & Co LLP

(formerly Walker, Chandniok & Co)

Chartered Accountants

per Sanjay Kumar Jain
 Partner

Place: Hyderabad

Date: 27 May 2014



For and on behalf of the Board of Directors of
 Gayatri Infra Ventures Limited

T.V. Sandeep Kumar Reddy
 Director

J. Brij Mohan Reddy
 Director

Place: Hyderabad

Date: 27 May 2014

Gayatri Infra Ventures Limited

Consolidated Statement of Profit and Loss for the year ended 31 March 2014

(All amount in ₹ unless otherwise stated)

	Notes	For the year ended	
		31 March 2014	31 March 2013
Revenue			
Revenue from operations	22	2,271,307,778	2,217,286,899
Other income	23	32,842,702	56,187,289
		2,304,150,480	2,273,474,188
Expenses			
Employee benefits expense	24	28,103,444	19,876,540
Finance costs	25	1,462,716,099	1,533,621,342
Depreciation and amortisation	15 and 16	811,055,242	804,313,591
Other expenses	26	383,456,157	381,755,198
Prior period items, net		(1,508,124)	462,136
		2,683,822,818	2,740,028,807
Loss before tax		(379,672,338)	(466,554,619)
Tax expense			
-Current tax		5,352,035	-
-Deferred tax benefit		-	(13,753)
		(385,024,373)	(466,540,866)
Loss for the year		(385,024,373)	(466,540,866)
Share of loss to minority		(3,496,769)	(30,656,483)
		(381,527,604)	(435,884,383)
Earnings/(loss) per equity share (EPES)			
-Basic and diluted		(215)	(246)
Weighted average number of equity shares considered in computation of basic and diluted EPES		1,770,833	1,770,833
Nominal value per equity share		10	10

The accompanying notes 1 to 31 form an integral part of these consolidated financial statements.

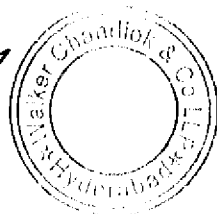
This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

Walker Chandni & Co
For Walker Chandniok & Co LLP

(formerly Walker, Chandniok & Co)

Chartered Accountants

per Sanjay Kumar Jain
Partner



Place: Hyderabad
Date: 27 May 2014

For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T.V. Sandeep Kumar Reddy
T.V. Sandeep Kumar Reddy
Director

J. Brij Mohan Reddy
J. Brij Mohan Reddy
Director

Place: Hyderabad
Date: 27 May 2014

Gayatri Infra Ventures Limited
Consolidated Cash Flow Statement for the year ended 31 March 2014
(All amounts in ₹ unless otherwise stated)

	For the year ended	
	31 March 2014	31 March 2013
Cash flow from operating activities		
Loss before taxation	(379,672,338)	(466,554,619)
Adjustments for:		
Depreciation and amortisation	811,055,242	804,313,591
Loss on assets disposed	-	438,815
Interest income	(908,901)	(36,678,952)
Income from mutual funds	(26,207,320)	(17,925,428)
Interest on borrowings	1,446,570,048	1,520,956,837
Operating profit/ before working capital changes	1,850,836,731	1,804,550,244
Changes in working capital:		
Decrease in trade payables	(92,105,174)	(30,548,847)
Increase/(decrease) in other current liabilities	62,427,015	(141,305,138)
Increase in short-term provisions	475,230,915	10,918,964
Increase/(decrease) in long-term provisions	(279,385,103)	176,908,901
Decrease in other long-term liabilities	-	(32,381,294)
Decrease in trade receivables	7,644	5,207,410
Decrease in short-term loans and advances	349,385,966	37,853,598
Increase in other current assets	(2,085,838)	(156,577,020)
Cash from/(used in) operating activities before income tax	513,475,425	(129,923,426)
Less: Income taxes paid	(17,480,408)	(1,783,316)
Net cash generated from operating activities (A)	2,346,831,748	1,672,843,502
Cash flow from investing activities		
Interest income received	908,901	36,678,952
Income from mutual funds	26,207,320	17,925,428
Purchase of fixed assets	(1,141,086)	(50,502)
Expenditure on intangible assets	(146,650,124)	(120,988,104)
(Investment in)/proceeds from in mutual funds (net)	(13,301,813)	21,205,330
Security deposits made	(2,940)	-
Net cash used in investing activities (B)	(133,979,742)	(45,228,896)
Cash flow from financing activities		
Interest charges paid	(1,545,581,502)	(1,421,187,477)
Repayment of long-term borrowings	(570,544,292)	(236,728,845)
Proceeds from short-term borrowings, net	24,292,967	86,789,798
Net cash used in financing activities (C)	(2,091,832,827)	(1,571,126,524)
Net Increase in cash and cash equivalents (A+B+C)	121,019,179	56,488,082
Cash and cash equivalents at the beginning of the year	152,905,249	96,417,167
Cash and cash equivalents at the end of the year	273,924,428	152,905,249



Gayatri Infra Ventures Limited

Consolidated Cash Flow Statement for the year ended 31 March 2014

(All amounts in ₹ unless otherwise stated)

	For the year ended	
	31 March 2014	31 March 2013
Cash and cash equivalents comprises of:		
Cash on hand	1,259,405	2,635,772
Balances with banks	272,665,023	150,269,477
	273,924,428	152,905,249

The accompanying notes 1 to 31 form an integral part of these consolidated financial statements.

This Consolidated Cash Flow Statement referred to in our report of even date.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP

(formerly Walker, Chandiook & Co)

Chartered Accountants

Sanjay
per Sanjay Kumar Jain
Partner



Place: Hyderabad

Date: 27 May 2014

For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T.V. Sandeep Kumar Reddy
T.V. Sandeep Kumar Reddy
Director

J. Brij Mohan Reddy
J. Brij Mohan Reddy
Director

Place: Hyderabad

Date: 27 May 2014

Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

1. Group Overview

Gayatri Infra Ventures Limited ("the Company") was incorporated on 22 January 2008 under the provisions of the Companies Act, 1956 ("the Act"). The Company, on its own and through investments in subsidiaries, joint ventures and associates (collectively referred as the 'Group' or the 'consolidating entities'), is in the business of construction of transport infrastructure assets and does investments in companies engaged in the construction, operations and maintenance of roads, highways, vehicle bridges and tunnels and toll roads.

2. Basis of preparation of financial statements

The consolidated financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("Indian GAAP") and in compliance with the mandatory accounting standards ("AS") as prescribed under the Companies (Accounting Standards) Rules, 2006 as amended ("the Rules") and the relevant provisions of the Act. Unless otherwise stated, the accounting policies applied by the Group are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the group's normal operating cycle and other criteria set out in the Schedule VI to the Act. Based on the nature of work and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the group has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

3. Basis of consolidation

The consolidated financial statements relate to Gayatri Infra Ventures Limited (the Company) and its subsidiary companies and jointly controlled entities. These Consolidated Financial Statements have been prepared on the following basis:

i. The financial statements of the company and its subsidiary companies and jointly controlled entities have been combined on a line-by-line basis by adding together the book values of like items like assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits and losses as per Accounting Standard 21 – "Consolidated Financial Statements" notified under Companies (Accounting Standards) Rules, 2006.

ii. Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and the equity of the company's shareholders. Minority Interest in the net assets of consolidated subsidiaries consists of:

- The amount of equity attributable to minorities at the date on which investment in a subsidiary is made and
- The minorities' share of movements, if any, in equity since the date the parent-subsidiary relationship came into existence.

iii. Minority interest's share of net profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

iv. The financial statements of jointly controlled entities have been consolidated using the "proportionate consolidation method" as per Accounting Standard 27 on "Financial Reporting of Interests in Joint Ventures" on line by line basis by adding together the book values of assets, liabilities, income and expenses after eliminating unrealized profits/losses on intra group transactions.



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

3. Basis of consolidation (continued)

v. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

4. List of subsidiaries and jointly controlled entities consolidated:

The following entities, incorporated in India, have been considered for the purpose of preparation of consolidated financial statements.

	% Interest	
	31 March 2014	31 March 2013
<u>Subsidiaries</u>		
Gayatri Jhansi Roadways Limited	50.99%	50.99%
Gayatri Lalitpur Roadways Limited	51.00%	51.00%
Indore Dewas Tollways Limited*	66.64%	66.64%
<u>Jointly Controlled Entities</u>		
Cyberabad Expressways Limited	50.00%	50.00%
Hyderabad Expressways Limited	50.00%	50.00%
Western UP Tollways Limited	49.00%	49.00%

* Includes 33.32% (31 March 2013: 33.32%) held by Gayatri Projects Limited, Holding Company, which is also considering the entity as a subsidiary for the purpose of consolidation as per Accounting Standard – 21, "Consolidated Financial Statements".

5. Summary of significant accounting policies

(a) Use of estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statements and amounts of income and expenses. Examples of such estimates include the provision for doubtful receivables, determination of recoverable amounts of fixed assets, deferred tax assets, employee benefits and useful lives of fixed assets.

Although these estimates are based upon management's best knowledge of current events and actions, actual results could materially differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

(b) Revenue Recognition

Contract revenue

- Revenue from construction contracts is recognised using percentage of completion method as prescribed under AS 7 "Construction Contracts" and with reference to stage of completion of the contract activity at the reporting date. Depending on the nature and terms of individual contract, stage of completion is determined on the basis of the proportion of costs incurred for the work performed till date to the total estimated contract costs.
- Price escalation and other claims and / or variation in the contract work are included in contract revenue when:



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

5. Summary of significant accounting policies (continued)

(b) Revenue Recognition (continued)

- Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim; and
 - The amount that is probable will be accepted by the customer can be measured reliably.
- Revenue from services rendered on a time and material basis is recognised as per the terms of contracts with customers and as and when the related services are performed. Revenue from fixed price arrangements is recognised using the completed contract method and accordingly, work completed and not billed, if any, is recognised as unbilled revenue as at the Balance Sheet date.

Development of highways

In case of companies involved in construction and maintenance of roads, toll revenue from operations is recognised on accrual basis which coincides with the collection of toll. In annuity based projects, revenue recognition is based on annuity accrued on time basis in accordance with the provisions of the concessionaire agreement entered into with NHAI or with respective state governments. Claims raised on NHAI or with respective state governments under concessionaire agreement are accounted for in the year of acceptance.

Interest Income

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

Dividend income

Dividend income is accounted for when the right to receive is established.

(c) Fixed Assets

Tangible assets

Tangible assets are stated at cost of acquisition, less accumulated depreciation thereon. The cost of an item of fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Intangible assets

Carriageways represents commercial rights to collect toll fee in relation to roads projects and to receive annuity in the case of annuity based projects which has been accounted at the cost incurred on the project activity towards reconstruction, strengthening, widening, rehabilitation of the roads on build, operate and transfer basis. It includes all direct material, labour and subcontracting costs, inward freight, duties, taxes, obligation towards negative grant payable to concessionaires, if any, and any directly attributable expenditure on making the commercial right ready for its intended use.



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

5. Summary of significant accounting policies (continued)

(d) Depreciation and Amortisation

Depreciation

Depreciation of tangible assets is provided on the basis of straight line method in accordance with Schedule XIV to the Companies Act, 1956. Individual assets costing less than or up to ₹ 5,000 are depreciated fully in the year of purchase.

Amortisation

Carriageways related to annuity based projects are amortised over the period of the respective Concessionaire Agreements on a straight line basis.

Carriageways related to toll based road projects are amortised based on proportion of actual revenue received during the accounting year to the total projected revenue till the end of the concession period in terms of notification dated 17 April 2012 issued by the Ministry of Corporate Affairs, Government of India.

The total projected revenue for the entire useful life is reviewed at the end of each financial year for expected changes in traffic and adjusted to reflect any changes in the estimate which will lead to actual collection at the end of useful life.

Intangible assets representing carriageways are amortised over the concession period, ranging from 10 to 20 years, which is beyond the maximum period of 10 years as specified in AS 26 on Intangible Assets, as the economic benefits from the underlying assets would be available to the Group over such period as per the respective concessionaire agreements.

(d) Impairment

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

(e) Grants

Grants or subsidies from the government or any regulatory authority are recognised when there is reasonable assurance that the grant/subsidy will be received and all conditions attached to the grant/subsidy will be complied with.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant or subsidy relates to an asset, the grant or subsidy amount (net of direct amount incurred to earn aforesaid grant or subsidy) is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.



Gayatri Infra Ventures Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

5. Summary of significant accounting policies (continued)

(f) Employee benefits

Gratuity

In accordance with the payment of Gratuity Act, 1972 the company provides for gratuity covering eligible employees (a defined benefit plan). Liability on account of gratuity is provided on the basis of valuation of the liability by an independent actuary as at year end.

Compensated absences

Liability for compensated absence is treated as a long term liability and is provided on the basis of valuation by an independent actuary as at year end.

Provident fund

Contributions to Provident Fund (a defined contribution plan) made to Regional Provident Fund Commissioner are recognized as expense.

(g) Borrowing Cost

Borrowing Costs that are attributable to the acquisition and construction of qualifying assets are capitalized as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. Any income on the temporary investments of borrowings is deducted from the borrowing cost.

(h) Investments

Investments are classified as current and non-current investments. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Non-current investments are carried at cost less provision for permanent diminution, if any, in the value of such investments. Current investments are carried at lower of cost and fair value.

(i) Earnings/(loss) per Share

Basic 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, if any.

(j) Taxes on Income

Current Tax

Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

5. Summary of significant accounting policies (continued)

(k) Taxes on Income (continued)

Deferred Tax

Deferred Tax is recognized on timing differences between the accounting income and the taxable income for the year, and qualified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

At each reporting date, the entities in the group re-assess unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The entities in the group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 deferred taxes relate to the same taxable entity and the same taxation authority.

(l) Cash and Cash Equivalents

Cash and cash equivalents in the cash flow statement comprise of cash at bank and on hand and include short term investments with an original maturity of three months or less.

(m) Provisions and contingent liabilities

Provision is recognized when the Company has a present obligation as a result of a past event and when 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 their present value and are determined based on management's 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 management estimates. A disclosure of a contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.

(n) Segment reporting

Segments are identified in line with Accounting Standard (AS) -17, "Segment Reporting", taking into considerations the internal organization and management structure as well as the different risk and returns of the segment.



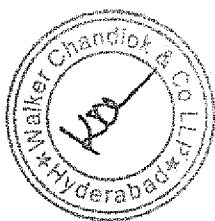
Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

6. Going concern

As at 31 March 2014, the Company has outstanding dues towards financial institutions and other creditors to the tune of ₹1,790,625,051 which falls due for repayment within the immediately succeeding twelve months period, thereby leading to an uncertainty on the ability of the Company to repay these dues. The Company's ability to continue as a going concern is predominantly dependent on the profitable operations of all the subsidiaries, joint ventures and other investees, which have already commenced operations and the continued support from the holding Company, Gayatri Projects Limited. The management is also actively considering dilution of its stake in joint venture entities and hence based on the foregoing developments and overall assessment of other factors, the accompanying financial statements have been prepared on a going concern basis.



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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

7. Share capital

	31 March 2014		31 March 2013	
	Number	Amount	Number	Amount
Authorized:				
Equity shares of ₹10 each	2,000,000	20,000,000	2,000,000	20,000,000
	2,000,000	20,000,000	2,000,000	20,000,000
Issued, subscribed and fully paid-up:				
Equity shares of ₹10 each	1,770,833	17,708,330	1,770,833	17,708,330
	1,770,833	17,708,330	1,770,833	17,708,330

(a) Reconciliation of the number of equity shares outstanding at the beginning and end of the year

	31 March 2014		31 March 2013	
	Number	Amount	Number	Amount
At the beginning and end of year	1,770,833	17,708,330	1,770,833	17,708,330

(b) Terms, rights and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The rights and preferences of each shareholder are in accordance with the shareholders' agreement dated 4 August 2008. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of equity shares held by holding company

	31 March 2014		31 March 2013	
	Number	Amount	Number	Amount
Gayatri Projects Limited	1,247,000	12,470,000	1,247,000	12,470,000

(d) Details of shareholders holding more than 5% shares in the company :

	31 March 2014		31 March 2013	
	Number	% holding	Number	% holding
Gayatri Projects Limited	1,247,000	70.42%	1,247,000	70.42%
AMP Capital Finance Mauritius Limited	520,833	29.41%	520,833	29.41%

(e) Aggregate number and class of equity shares allotted as fully paid-up pursuant to contract without payment being received in cash:

	31 March 2014	31 March 2013
Gayatri Projects Limited	1,200,000	1,200,000



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

8. Reserves and surplus

	As at	
	31 March 2014	31 March 2013
Securities premium account		
Balance at the beginning and end of the period	2,199,619,577	2,199,619,577
Capital reserve		
Balance at the beginning of the period	276,262,000	276,262,000
Adjustments*	(276,262,000)	-
Balance at the end of the period	-	276,262,000
Deficit in the Statement of Profit and Loss		
Balance at the beginning of the year	(910,263,944)	(474,379,561)
Add: Loss for the year	(381,527,604)	(435,884,383)
Balance at the end of the year	(1,291,791,548)	(910,263,944)
	907,828,029	1,565,617,633

* Represents group's share of project grant received by Western UP Tollway Limited duly adjusted against the cost of carriageway.

9. Long-term borrowings

	As at	
	31 March 2014	31 March 2013
Secured		
-from banks	5,927,558,573	6,357,758,378
-from others	3,768,030,077	3,908,374,564
	9,695,588,650	10,266,132,942
Unsecured		
-from others	1,350,000,000	1,350,000,000
-from related parties	569,174,603	569,174,603
	11,614,763,253	12,185,307,545
Less: Current maturities of long term borrowings	2,071,377,209	639,942,239
	9,543,386,044	11,545,365,306

(a) Details of loans

(i) Unsecured term loans aggregating to ₹1,350,000,000 (31 March 2013: ₹1,350,000,000) obtained by Gayatri Infra Ventures Limited is sort by way of:

- (a) pledge of 1,200,000 Equity shares held by the holding company, M/s Gayatri Projects Ltd,
 (b) corporate guarantee of Gayatri Projects Limited.

The facility carry interest at the rate as at 31 March 2014 of 16.00% (31 March 2013: 15.50%)

(ii) Secured terms loans aggregating to ₹2,108,107,542 (31 March 2013: ₹2,204,497,542) obtained by Gayatri Jhansi Roadways Limited is secured by way of:

(a) First mortgage and charge of all the borrower's immovable properties, present and future.

(b) First charge by way of hypothecation of:

- all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

9. Long-term borrowings (continued)

- operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
- all intangibles, including but not limited to goodwill, uncalled capital, present and future.
- Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
- Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
- Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital.

The facilities carry an interest rate of 11.20% (31 March 2013: 11.75%)

- (iii) Secured terms loans aggregating to ₹1,734,505,627 (31 March 2013: ₹1,813,096,627) obtained by Gayatri Lalitpur Roadways Limited is secured by way of:

(a) First mortgage and charge of all the borrower's immovable properties, present and future.

(b) First charge by way of hypothecation of:

- all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
- operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
- all intangibles, including but not limited to goodwill, uncalled capital, present and future.
- Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
- Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
- Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital.

The facilities carry an interest rate of 11.25% (31 March 2013: 11.75%)

- (iv) Secured terms loans aggregating to ₹722,642,800 (31 March 2013: ₹754,075,800) obtained by Gayatri Jhansi Roadways Limited is secured by way of:

(a) Second mortgage and charge of all the borrower's immovable properties, present and future.

(b) Second charge by way of hypothecation of:

- all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
- Operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
- All intangibles, including but not limited to goodwill, uncalled capital, present and future.
- Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

9. Long-term borrowings (continued)

- Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
- Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital

The facilities carry an interest rate ranging from 10.95% to 12.80% (31 March 2013: 11.75% to 13.30%)

- (v) Secured terms loans aggregating to ₹452,894,160 (31 March 2013: ₹472,298,030) obtained by Gayatri Lalitpur Roadways Limited, is secured by way of:

(a) Second mortgage and charge of all the borrower's immovable properties, present and future.

(b) Second charge by way of hypothecation of:

- all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
- Operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
- All intangibles, including but not limited to goodwill, uncalled capital, present and future.
- Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
- Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
- Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital

The facilities carry an interest rate ranging from 10.95% to 12.80% (31 March 2013: 11.75% to 13.30%)

- (iv) Unsecured term loans to the tune of ₹323,350,250 (31 March 2013: ₹569,174,603) borrowed by Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited from its shareholder's represents zero interest subordinate shareholder's contribution repayable after the repayment of secured loans from banks and financial institutions.

- (v) Secured term loans aggregating to ₹1,502,926,961 (31 March 2013: ₹1,646,396,210) obtained by Cyberabad Expressways Limited is secured by way of first pari passu charge in favour of the lenders/security agent to the project by way of hypothecation of:

- a) All monies including annuity receivable from the customer to the credit of the escrow account.
- b) All rights, title, interest, benefits, claims and demands of the company under project agreements subject to the provisions of the concession agreement.
- c) Assignment of rights, title and interest to or in favor of the lenders pursuant to and in accordance with the substitution agreement as per the provisions of the financing documents of the project.

The facilities carry an interest rate of 11.50% (31 March 2013: 11.50%)

- (vi) Secured term loans aggregating to ₹1,104,362,660 (31 March 2013: ₹1,221,949,666) obtained by Hyderabad Expressways Limited is secured by way of first pari passu charge in favour of the lenders/security agent to the project by way of hypothecation of:

- a) All monies including annuity receivable from the customer to the credit of the escrow account.
- b) All rights, title, interest, benefits, claims and demands of the company under project agreements subject to the provisions of the concession agreement.
- c) Assignment of rights, title and interest to or in favor of the lenders pursuant to and in accordance with the substitution agreement as per the provisions of the financing documents of the project.

The facilities carry an interest rate of 11.50% (31 March 2013: 11.50%)



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

9. Long-term borrowings (continued)

(vii) Secured term loans aggregating to ₹2,070,148,900 (31 March 2013: ₹2,153,819,067) obtained by Western UP Tollways Limited are secured by way of:

(a) first mortgage and charge in a form satisfactory to all company's immovable properties, present and future except project assets.

(b) first charge by way of hypothecation of all the company's movables, including movable plant and machinery, present and future except the project assets, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets.

(c) A first charge on operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising present or future.

(d) subject to provisions of provisions on concession agreement, first charge on the escrow account, debt service reserve, MMR and other reserves.

(e) A first pledge of 100% of paid up capital till three years of commencement of commercial operations and thereafter minimum 51% of total paidup capital of the company held by the promoters during the tenure of the loan.

The facilities carry an interest rate ranging from 11.50% to 14.00% (31 March 2013: 9.95% to 14.00%)

(viii) Unsecured term loans to the tune of ₹245,824,353 (31 March 2013: Nil) is obtained by Western UP Tollways Limited from related parties carrying interest at the rate of 12% (31 March 2013: Nil)

(c) Terms of repayment for secured loans from banks and others and the unsecured loans from others

	As at	
	31 March 2014	31 March 2013
Up to 1 year	1,950,794,651	519,359,679
2 to 5 years	3,556,813,920	4,535,527,447
Above 5 years	6,107,154,682	7,130,420,419
	11,614,763,253	12,185,307,545

(d) Details of overdue installments of principal and interest on secured and unsecured loans from banks and others

	As at	
	31 March 2014	31 March 2013
Principal		
0-30 days	70,624,953	80,696,435
Interest		
0-30 days	44,424,542	96,861,682
30-90 days	75,165,659	110,126,828
90-180 days	1,296,930	12,464,132
above 180 days	1,609,820	-
	122,496,950	219,452,642

10. Other long-term liabilities

	As at	
	31 March 2014	31 March 2013
Interest accrued but not due	26,549,030	-
	26,549,030	-



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

11. Provisions

	As at	
	31 March 2014	31 March 2013
a) Long-term		
Provision for periodic maintenance		
As at beginning of the year	475,131,266	298,233,635
Add: Charge for the year	191,726,198	176,897,631
Less: Transferred during the year	(471,051,520)	-
As at end of the year	<u>195,805,943</u>	<u>475,131,266</u>
Provision for gratuity and compensated absences	95,060	154,840
	<u>195,901,003</u>	<u>475,286,106</u>
b) Short-term		
Provision for periodic maintenance	488,862,896	13,631,981
	<u>488,862,896</u>	<u>13,631,981</u>

12. Short-term borrowings

	As at	
	31 March 2014	31 March 2013
Unsecured		
-from related parties	354,781,861	330,488,894
	<u>354,781,861</u>	<u>330,488,894</u>

Represents unsecured loans from related parties repayable on demand along with interest at the rate of 16% per annum (31 March 2013: 16%).

13. Trade payables

Based on information available with the Company, as at 31 March 2014 (31 March 2013: Nil), there are no suppliers who are registered as micro and small enterprises under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006.

14. Other current liabilities

	As at	
	31 March 2014	31 March 2013
Current maturities of long-term borrowings (refer note 9)	2,071,377,209	639,942,239
Interest accrued and due on borrowings*	144,052,761	274,135,219
Interest accrued but not due on borrowings	64,327,015	59,805,041
Statutory liabilities	59,122,644	35,841,314
Dues to related party	82,506,809	24,117,917
Others	31,144,805	50,388,012
	<u>2,452,531,243</u>	<u>1,084,229,742</u>

* Includes interest accrued and due on short-term borrowings from related parties to the tune of ₹21,555,811 (31 March 2013: ₹54,682,577)



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

15. Tangible Assets

	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Computers	Total
Gross block						
As at 1 April 2012	412,712	1,050,262	6,128,929	2,177,595	1,989,021	11,758,519
Additions during the year	-	-	-	16,660	33,842	50,502
Disposals	49,980	127,884	-	780,067	-	957,931
As at 31 March 2013	362,732	922,378	6,128,929	1,414,188	2,022,863	10,851,090
Additions during the year	-	-	1,127,086	-	14,000	1,141,086
Disposals	-	-	-	-	-	-
As at 31 March 2014	362,732	922,378	7,256,015	1,414,188	2,036,863	11,992,176
Depreciation						
As at 1 April 2012	193,650	485,992	2,551,465	938,763	837,034	5,006,904
Charge for the year	66,443	70,963	582,247	163,563	252,452	1,135,668
Deletions / adjustments	13,563	97,192	-	408,361	-	519,116
As at 31 March 2013	246,530	459,763	3,133,712	693,965	1,089,486	5,623,456
Charge for the year	66,441	68,401	637,086	152,759	246,109	1,170,796
Deletions	-	-	-	-	-	-
As at 31 March 2014	312,971	528,164	3,770,798	846,724	1,335,595	6,794,252
Net block						
As at 31 March 2014	49,761	394,214	3,485,217	567,464	701,268	5,197,924
As at 31 March 2013	116,202	462,615	2,995,217	720,223	933,377	5,227,634



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

16. Intangible assets

Carriage way	As at	
	31 March 2014	31 March 2013
Gross block		
At the beginning of the year	13,153,100,469	10,816,977,135
Additions during the year	852,806,157	2,336,123,334
Adjustments (refer note 8)	276,262,000	-
At the end of the year	13,729,644,626	13,153,100,469
Accumulated amortisation		
At the beginning of the year	1,727,036,155	923,858,232
Charge for the year	809,884,446	803,177,923
At the end of the year	2,536,920,601	1,727,036,155
Net block	11,192,724,025	11,426,064,314

17. Investments

	As at	
	31 March 2014	31 March 2013
a) Non-current		
Unquoted trade investments of ₹10 each fully paid:		
-fellow subsidiaries		
16,680 equity shares (31 March 2013: 16,680), representing 31.29% (31 March 2013: 31.29%) in Indore Dewas Tollways Limited	166,800	166,800
	166,800	166,800
-others		
15,647 equity shares (31 March 2013: 15,647), representing 11.72% (31 March 2013: 11.72%) in HKR Roadways Limited	156,470	156,470
	156,470	156,470
Aggregate amount of unquoted investments	323,270	323,270
b) Current		
Other than trade and unquoted - valued at lower cost or fair value		
Investment in mutual funds		
HIDFC liquid fund - Dividend - Daily Reinvest [1,304,330.5 (31 March 2013: Nil) units of ₹10 each fully paid up]*	13,301,813	-
Aggregate amount of unquoted investments	13,301,813	-

*Represents group's share of 50%, out of the total units of 2,608,659 (31 March 2013: Nil)



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

18. Loans and advances

	As at	
	31 March 2014	31 March 2013
(Unsecured, considered good)		
a) Long-term		
Advances to related parties		
- holding company	-	37,013,924
- fellow subsidiaries	363,000,000	363,000,000
- others	684,087,309	684,087,309
Security deposits	1,713,622	1,710,682
Advance tax (net of provision)	101,269,887	89,141,515
	1,150,070,818	1,174,953,430
b) Short-term		
Advances to related parties		
- holding company	708,679,403	718,859,997
- fellow subsidiaries	6,256,850	6,256,850
- others	38,888,110	378,093,482
	753,824,363	1,103,210,329

19. Trade receivables

	As at	
	31 March 2014	31 March 2013
(Unsecured, considered good)		
Due for a period exceeding six months	43,577,608	2,500,000
Other receivables	554,875,480	595,960,732
	598,453,088	598,460,732

20. Cash and cash equivalents

	As at	
	31 March 2014	31 March 2013
Cash on hand	1,259,405	2,635,772
Balances with banks		
- in current accounts	272,665,023	149,567,567
- in deposit accounts	-	701,910
	273,924,428	152,905,249



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

21. Other current assets

	As at	
	31 March 2014	31 March 2013
(unsecured, considered good)		
Accrued annuity	209,444,879	209,444,868
Prepaid expenses	293,211	630,121
Others	12,036,487	9,613,750
	<u>221,774,577</u>	<u>219,688,739</u>

22. Revenue from operations

	For the year ended	
	31 March 2014	31 March 2013
Annuity income	1,777,893,707	1,773,281,601
Toll collections	430,177,247	318,109,494
Operations and maintenance support	62,132,000	66,047,167
Income from change of work scope	1,104,824	9,848,637
Financial and consultancy service	-	50,000,000
	<u>2,271,307,778</u>	<u>2,217,286,899</u>

23. Other income

	For the year ended	
	31 March 2014	31 March 2013
Interest income	908,901	36,678,952
Income from mutual funds	26,207,320	17,925,428
Miscellaneous receipts	5,726,481	1,582,909
	<u>32,842,702</u>	<u>56,187,289</u>

24. Employee benefits expense

	For the year ended	
	31 March 2014	31 March 2013
Salaries and wages	27,947,589	19,560,414
Staff welfare expenses	58,432	168,101
Contribution to provident and other fund	97,423	148,025
	<u>28,103,444</u>	<u>19,876,540</u>

a) Significant assumptions for gratuity and compensated absences

	For the year ended	
	31 March 2014	31 March 2013
Discount Rate	8%	8%
Expected rate of salary increases	5%	5%
Expected average future service of employees	22 Years	20 Years

25. Finance costs

	For the year ended	
	31 March 2014	31 March 2013
Interest on borrowings	1,446,570,048	1,520,956,837
Other borrowing costs	16,146,051	12,664,505
	<u>1,462,716,099</u>	<u>1,533,621,342</u>



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

26. Other expenses

	For the year ended	
	31 March 2014	31 March 2013
Toll operating expenses	24,371,669	24,371,139
Repairs and maintenance - carriage way	317,157,171	288,640,046
Insurance expenses	2,826,455	3,726,822
Consultancy and professional charges	11,909,675	13,939,738
Rent	4,064,469	3,732,014
Payments to the auditors as		
- audit fees	337,080	224,720
- other matters	955,060	-
Travelling and conveyance	3,029,278	3,071,559
Miscellaneous expenses	18,805,300	44,049,160
	383,456,157	381,755,198

27. Commitments and contingent liabilities:

	As at	
	31 March 2014	31 March 2013
a) Contingent liability		
Disputed income tax dues	91,634,108	1,039,900
Transit fee on forest produce disputed by the subsidiaries	296,244,291	296,244,291
Cess under Building and Other Construction Workers' Welfare Cess Act 1956 and rules 1988 in a jointly controlled entity	12,201,000	12,201,000
b) Commitments		
Contracts remaining to be executed on capital accounts (net of advances)	150,394,796	260,057,469
Joint and several liability in respect of investment in associate and other projects	Not ascertainable	Not ascertainable

28. Related party transactions**a) Names of the related parties and description of relationship**

Name of the related party	Nature of relationship
Gayatri Projects Limited	Holding Company
Indore Dewas Tollways Limited	Fellow Subsidiary
Deep Corporation Private Limited	Enterprises in which KMP and/or their relatives have significant influence
HKR Roadways Limited	
Balaji Highways Holding Private Limited	
IL & FS Engineering & Construction Company Limited (IL & FS)	Shareholders' having significant influence in a jointly controlled entity
Terra Projects Limited	
India Infrastructure Fund	
NCC Limited	
NCC Infrastructure Holdings Limited	



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

b) Transactions with related parties

	For the year ended	
	31 March 2014	31 March 2013
Transactions with Gayatri Projects Limited (GPL)		
<i>Payments made by GPL on behalf of the group towards</i>		
- Interest on loans	248,116,702	55,000,000
- Salaries	2,167,100	-
- Loan management fees	13,651,740	-
- Reimbursement of expenses	-	32,102,275
- Advance to subcontractor	-	250,000
- Advance to a jointly controlled entity	-	10,250,000
<i>Amounts paid to GPL towards</i>		
- Shared services availed	14,590,000	15,833,000
- Interest on borrowings	23,645,024	5,435,650
- Repairs and maintenance	105,572,358	83,564,827
- Development expenditure of intangible assets	395,708,806	102,036,145
- Major maintenance	22,412,865	22,412,865
- Special advance	-	3,029,294
- Labour cess recoverable	-	2,704,756
- Reimbursement of expenses	248,000	3,083,810
Transactions with Deep Corporation Limited		
Rent	1,549,699	1,766,597
Transactions with HKR Roadways Limited		
Reimbursement of expenses	-	50,000,000
Income from vehicle hire charges	3,072,300	-
Transactions with IL & FS		
Interest on loans	16,984,000	17,622,838
Transactions with NCC Limited		
Interest on unsecured term loan	13,852,713	-
Reimbursement of expenses	194,922	-
Transactions with NCC Infrastructure Holdings Limited		
Management fees paid	2,642,707	2,642,707

c) Balances receivable/(payable)

	As at	
	31 March 2014	31 March 2013
Gayatri Projects Limited	1,834,204	337,443,144
Indore Dewas Tollways Limited	368,937,686	368,937,686
HKR Roadways Limited	687,471,873	684,399,573
Balaji Highways Holding Private Limited	319,164	319,164
IL & FS Engineering & Construction Company Limited	(182,026,949)	(175,282,521)
Terra Projects Limited	(147,094,911)	(141,611,497)
India Infrastructure Fund	(322,400,000)	(322,400,000)
NCC Limited	130,472,309	118,694,025
NCC Infrastructure Holdings Limited	194,132,902	194,132,902



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

29. Deferred tax

In the absence of virtual certainty of future taxable profits supported by convincing evidence, the group has not created deferred tax assets on unabsorbed business losses and other timing differences. The group would be able to use unabsorbed tax depreciation and business losses to set off against future taxable income for a specified period.

30. Segment reporting

Based on the group's business model and considering the internal financial reporting to the management, subsidiaries and joint ventures which are engaged in the business of construction in the transport infrastructure has been considered as the only reportable segment. Further all the services are rendered only in India. Hence there are no additional disclosures required to be provided in terms of Accounting Standard 17 on "Segment Reporting".

31. Comparatives

The financial statements for the previous period have been regrouped / rearranged to conform to the current year presentation wherever required.

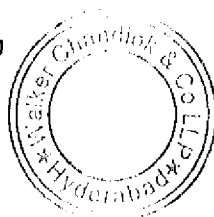
This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP

(formerly Walker, Chandiook & Co)

Chartered Accountants

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner



Place: Hyderabad
Date: 27 May 2014

For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T.V. Sandeep Kumar Reddy
T.V. Sandeep Kumar Reddy
Director

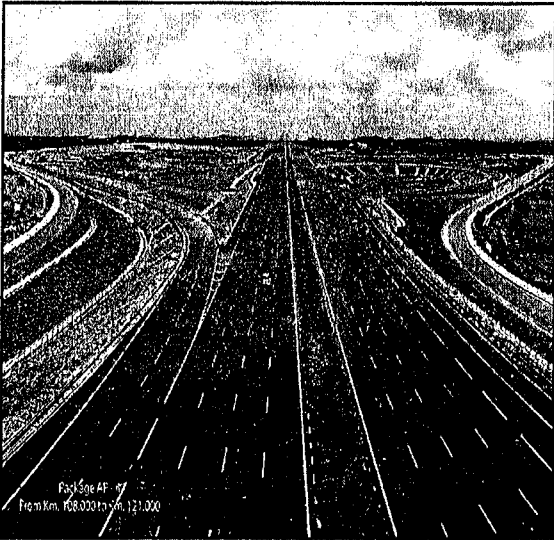
J. Brij Mohan Reddy
J. Brij Mohan Reddy
Director

Place: Hyderabad
Date: 27 May 2014



GAYATRI INFRA VENTURES LIMITED

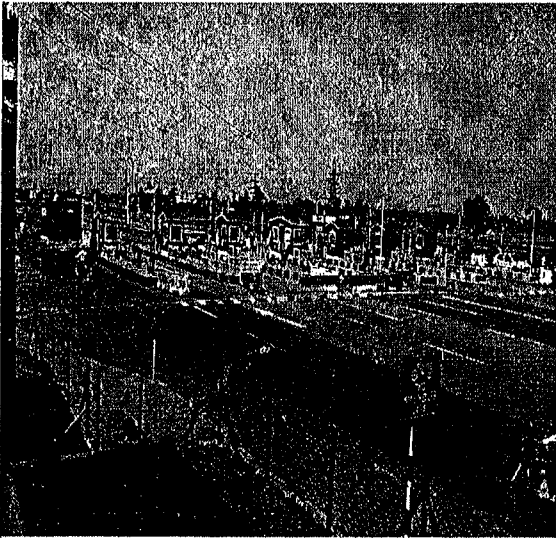
7TH ANNUAL REPORT 2014-15



BONGULUR TO TUKKUGUDA (ORR - HYD)



JHANSI - LAJITPUR SECTION OF NH - 26



INDORE TO DEWAS (NH - 3)



HYDERABAD-KARIMNAGAR-RAMAGUNDAM (SH - 1)

CERTIFIED TRUE COPY

Infrastructure is the lifeline of an economy. And we add our bit to it.

For GAYATRI INFRA VENTURES LIMITED

DIRECTOR

BOARD OF DIRECTORS

Sri T.V. Sandeep Kumar Reddy	Director
Sri J. Brij Mohan Reddy	Director
Sri Sharat Goyal	Director
Sri Ch. Hari Vittal Rao	Director
Sri M.V. Narasimha Rao	Director

REGISTERED & CORPORATE OFFICE

6-3-1090, B-1,
TSR Towers, Raj Bhavan Road
Somajiguda
Hyderabad – 500 082.

Corporate Identification No. U45209TG2008PLC057269

AUDITORS

M/s. Walker, Chandiok & Co LLP
Chartered Accountants
7th Floor, Block III,
White House, Kundan Bagh,
Begumpet, Hyderabad - 500016

BANKERS

Canara Bank,
Rajbhavan Road,
Somajiguda, Hyderabad.

BOARDS' REPORT

To
The Members,

Your Directors have immense pleasure in presenting the 7th Annual Report of your Company and the Audited Financial Statements for the year ended 31st March, 2015.

1. FINANCIAL SUMMARY:

The following table depicts the financial results of your Company for the year ending 31st March 2015:

Rs.

S. No.	Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
1	Income from Operations	-	-
2	Other Income	2,31,85,346	2,24,40,274
	Total Income	2,31,85,346	2,24,40,274
3	Employee Benefits Expense	19,29,000	24,48,000
4	Finance Costs	23,97,32,020	23,57,39,096
5	Depreciation	5,96,444	2,24,408
6	Other Expenses	48,03,521	76,13,944
	Total Expenditure	24,70,60,985	24,60,25,448
7	Profit/(Loss) Before Tax	(22,38,75,639)	(22,35,85,174)
8	Less: Provision for Tax	-	-
9	Profit/(Loss) After Tax	(22,38,75,639)	(22,35,85,174)

2. THE YEAR IN RETROSPECT

The Financial Year 2014-15 was a difficult year for your Company, owing to severe shortfall of funds throughout the year. Hence, apart from the fact that the Company did not participate in bidding for any new projects, your Company also did not honour Interest commitments on the Term Loan availed from IL&FS Financial Services Ltd. on a timely basis. The loss for the current year is majorly due to the Interest cost being borne by your Company on the Term Loan availed from IL&FS Financial Services Ltd. This Term Loan has been rolled over upto June 2015.

Your Company did not bid for any new projects, due to shortage of funds. In view of a stable government at the centre, it can be expected that the infrastructure market may revive to a large extent.

The members are aware that your Company has advanced an amount of Rs.13.67 Crores to Cyberabad Expressways Ltd. as per the Memorandum of Understanding (MoU) dated 5th August 2011, which would bear an Interest rate of 16% p.a. Once the said amount is repaid by Cyberabad Expressways Ltd., your Company would be in a better position with respect to cash flows. M/s Cyberabad Expressways Ltd. has to receive arrears of Annuity of Rs.140.89 Crores,

apart from a bonus annuity, alongwith Interest thereon for delayed payments, from which the dues payable to your Company will be cleared.

3. FUTURE OUTLOOK

At the outset, your Directors foresee an urgent and immediate need of funds for the Company, so as to enable servicing the Interest on Term Loan from IL&FS Financial Services Ltd. on quarterly basis. At present, your Company does not have funds to meet the regular administrative expenses.

Your Directors are exploring various possible avenues in this regard.

4. EXTRACT OF ANNUAL RETURN

The Extracts of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 and the same is enclosed as **Annexure-1**.

5. BOARD MEETINGS

During the year 5 Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

6. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies and applied them consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors has appointed Mr. M.V. Narasimha Rao as Additional Director of the Company in the category of Independent Directors with effect from 3rd March, 2015 to 2nd March, 2016.

The Board of Directors has appointed Mr. Ch. Hari Vithal Rao, a Non-Executive Directors of the Company as an Independent Directors with effect from 3rd March, 2015 to 2nd March, 2019.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

8. DECLARATION BY INDEPENDENT DIRECTORS

The independent directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6).

9. RE-APPOINTMENTS

Mr. T.V. Sandeep Kumar Reddy, Director of the Company is retiring by rotation and being eligible, offers himself for re-appointment.

10. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration.

11. AUDITORS REPORT

There are no qualifications in the Auditors Report.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with the related parties referred to in Section 188 in the Form AOC – 2 is annexed herewith as **Annexure-2**.

14. TRANSFER OF AMOUNT TO RESERVES

The Company does not propose to transfer any amount to the general reserve for the Financial Year ended 31st March, 2015.

15. DIVIDEND

The Board of Directors does not recommend any dividend on the Equity Shares for the financial year ended 31st March, 2015.

16. MATERIAL CHANGES AND COMMITMENTS

There has been no material change and commitments 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.

There has been no change in the nature of business of the Company.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information relating to Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014 is Nil.

18. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

As already mentioned above, your Company has invested in various Build, Operate & Transfer (BOT) Road Assets, from which there has been no return till date. Your Company is regularly monitoring these investments, so as to obtain returns, if any, in the future, so that the loan commitments are honoured.

Apart from the above, your Company has ensured that adequate operating procedures are developed and implemented on a consistent basis, so as to ensure that the financial statements of the Company are free from material misstatements.

19. POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR.

The policy developed and implemented by the Company on Corporate Social Responsibility initiatives taken during the year is Nil as the relevant provisions of the Companies Act, 2013 in this regard are not applicable to the Company.

20. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees.

21. SUBSIDIARY COMPANIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATE COMPANIES

During the Financial Year ending on 31st March 2015, your Company had two subsidiaries, namely Gayatri Jhansi Roadways Ltd. and Gayatri Lalitpur Roadways Ltd. and three Jointly Controlled Entities, namely, Hyderabad Expressways Ltd., Cyberabad Expressways Ltd., Western UP Tollway Ltd.

The names of companies which have become or ceased to be Company's Subsidiaries, joint ventures or associate companies during the year

During the Financial Year, no company is ceased as Company's subsidiary, joint venture or associate company.

22. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Accounting Standards AS – 21 and AS – 27 issued by the Institute of Chartered Accountants of India and specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014; your Directors have pleasure in attaching the Consolidated Financial Statements for the financial year ended 31st March 2015, which forms part of the Annual Report and accounts.

23. STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

A Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures in the Form AOC – 1 is annexed herewith as **Annexure-3**.

24. DEPOSITS

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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.

26. STATUTORY AUDITORS

The Company's Auditors, Walker Chandiook & Co LLP, Chartered Accountants, Hyderabad bearing ICAI Regn. No. 001076N/N500013 who retires at the ensuing Annual General Meeting of the Company is eligible for reappointment.

They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Auditors of the Company.

27. PARTICULARS OF EMPLOYEES

There are no employees in the Company who are drawing prescribed salary pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

28. VIGIL MECHANISM

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy are available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company.

29. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company has ensured that appropriate policies and procedures are adopted for ensuring orderly and efficient conduct of the business, including adherence to Company's policies, the safeguarding of its assets, prevention and detection of fraud and error, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

30. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company lays emphasis on competence and commitment of its human capital recognizing its pivotal role for organizational growth.

During the year, the Company maintained a record of peaceful employee relations. Your Directors wish to place on record their appreciation for the commitment shown by the employees throughout the year.

31. ACKNOWLEDGEMENTS

Your Directors express their appreciation to the Company's Bankers, Statutory Auditors, Customers, Consultants and Members for their constant help, co-operation and support.

For and on behalf of the Board

Place: Hyderabad

Date: 20 May 2015



T.V SANDEEP KUMAR REDDY

DIRECTOR

DIN:00005573



J. BRIJ MOHAN REDDY

DIRECTOR

DIN:00012927

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended 31.03.2015
[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:	
CIN	U45209TG2008PLC057269
Registration Date	22/01/2008
Name of the Company	GAYATRI INFRA VENTURES LIMITED
Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non Government Company
Address of the Registered Office and contact details	1 st Floor, 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana. E Mail: rajkumar@givl.co.in , Tel: 040-23310330
Whether listed company	Unlisted
Name, address and contact details of Registrar and Transfer Agent, if any	AARTHI CONSULTANTS PRIVATE LIMITED Registered Office: 1-2-285, Domalguda, Hyderabad - 500029, Telangana. E Mail: info@arthiconsultants.com , Tel: 040-27638111

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 and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Holding activities	64200	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -					
Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Gayatri Projects Limited, 1 st Floor, 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana.	L99999TG1989PLC057289	Holding	70.59%	2(46)
2	Gayatri Jhansi Roadways Limited, 1 st Floor, 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda,	U50403TG2006PLC050569	Subsidiary	51%	2(87)

-a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	0	0	0	0	0	0	0	0	0
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	5,20,833	5,20,833	29.41	-	5,20,833	5,20,833	29.41	-
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):	-	5,20,833	5,20,833	29.41	-	5,20,833	5,20,833	29.41	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	5,20,833	5,20,833	29.41	-	5,20,833	5,20,833	29.41	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	17,70,833	17,70,833	100	-	17,70,833	17,70,833	100	0

ii) Shareholding of Promoters

S.No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	Gayatri Projects Ltd	12,47,000	70.42	67.76	12,47,000	70.42	67.76	-
2	T. Indira Reddy (Nominee of M/s. Gayatri Projects Limited)	1,000	0.06	-	1,000	0.06	-	-
3	T.V. Sandeep Kumar Reddy (Nominee of M/s. Gayatri Projects Limited)	1,000	0.06	-	1,000	0.06	-	-
4	T. Sarita Reddy (Nominee of M/s. Gayatri Projects Limited)	700	0.04	-	700	0.04	-	-
5	Dr. C. Satyanarayana (Nominee of M/s. Gayatri Projects Limited)	100	0.01	-	100	0.01	-	-
6	P. Maruthi Babu (Nominee of M/s. Gayatri Projects Limited)	100	0.01	-	100	0.01	-	-
7	Ch. Harivithal Rao (Nominee of M/s. Gayatri Projects Limited)	100	0.01	-	100	0.01	-	-
Total		12,50,000	70.59		12,50,000	70.59		

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

S. 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	1250000	70.59		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
	At the end of the year	1250000	70.59	-	-

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	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	5,20,833	29.41	-	-
	Date wise Increase / Decrease in Share holding 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)	5,20,833	29.41	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Top 10 Shareholders	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	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of 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	1,35,00,00,000	51,72,55,218	-	1,86,72,55,218
ii) Interest due but not paid	6,44,91,779	-	-	6,44,91,779
iii) Interest accrued but not	4,93,11,602	-	-	4,93,11,602
Total (i+ii+iii)	1,46,38,03,381	51,72,55,218	-	1,98,10,58,599
Change in Indebtedness during the financial year				
Addition	1,19,46,120	24,05,95,583	-	25,25,41,703
Reduction	26,73,870	-	-	26,73,870
Net Change	92,72,250	24,05,95,583	-	24,98,67,833
Indebtedness at the end of the financial year				
i) Principal Amount	1,35,00,00,000	27,66,59,635	-	1,62,66,59,635
ii) Interest due but not paid	5,25,45,659	-	-	5,25,45,659
iii) Interest accrued but not due	5,19,85,472	-	-	5,19,85,472
Total (i+ii+iii)	1,45,45,31,131	27,66,59,635	-	1,73,11,90,766

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. 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 under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) 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:

1. Independent Directors

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. M.V.N. Rao	Ch.Harivithal Rao	
	-Fee for attending Board/Committee Meetings	-	15,000/-	-
	-Commission	-	-	-
	- Others, please specify	-	-	-
	Total (B)(1)	-	-	-

2. Other Non Executive Directors

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
	-Fee for attending Board/Committee Meetings	-	-	-
	-Commission	-	-	-
	- Others, please specify	-	-	-
	Total (B)(2)	-	-	-
	Total (B)= (B)(1)+ (B)(2)			

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

Sl. 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) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) 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: -N.A.-

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	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board

Place: Hyderabad
Date: May 20, 2015


T.V. SANDEEP KUMAR REDDY
DIRECTOR
DIN: 00005573


J. BRIJ MOHAN REDDY
DIRECTOR
DIN: 00012927

Form No. AOC-2

(Pursuant to clause (b) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

(a) Name(s) of the related party and nature of relationship	NIL
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

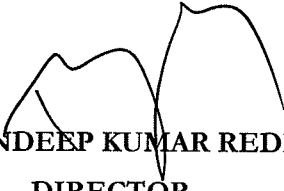
2. Details of material contracts or arrangement or transactions at arm's length basis

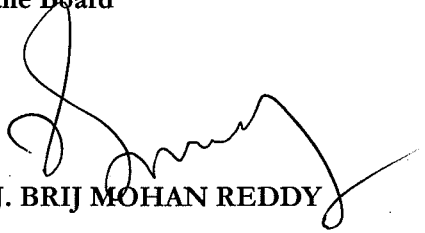
(a) Name(s) of the related party and nature of relationship	During the year, no material contracts or arrangements have been entered into by the Company.
(b) Nature of contracts/arrangements/transactions	Not Applicable
(c) Duration of the contracts / arrangements/transactions	Not Applicable
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Not Applicable
(e) Date(s) of approval by the Board, if any:	Not Applicable
(f) Amount paid as advances, if any:	Not Applicable

For and on behalf of the Board

Place: **Hyderabad**

Date: 20 May 2015


T.V SANDEEP KUMAR REDDY
DIRECTOR
DIN:00005573


J. BRIJ MOHAN REDDY
DIRECTOR
DIN:00012927

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

1. Sl. No.	1	2
2. Name of the subsidiary	Gayatri Jhansi Roadways Limited	Gayatri Lalitpur Roadways Limited
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian Rupees	Indian Rupees
5. Share capital	Rs.42,40,00,000/-	Rs.31,79,80,060
6. Reserves & surplus	(Rs.24,79,50,138/-)	(Rs.18,75,83,165/-)
7. Total assets	Rs.369,35,49,271/-	Rs.280,81,43,561
8. Total Liabilities	Rs.369,35,49,271/-	Rs.280,81,43,561
9. Investments	Nil	Nil
10. Turnover	Rs.59,90,00,000/-	Rs.47,90,00,000/-
11. Profit / (Loss) before taxation	(Rs.5,78,45,306/-)	(Rs.2,26,52,099/-)
12. Provision for taxation	-	-
13. Profit / (Loss) after taxation	(Rs.5,78,45,306/-)	(Rs.2,26,52,099/-)
14. Proposed Dividend	-	-
15. % of shareholding	51%	51%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: Nil
- Names of subsidiaries which have been liquidated or sold during the year: Nil


Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Hyderabad Expressways Limited	Cyberabad Expressways Limited	Western UP Tollway Limited
1. Latest audited Balance Sheet Date	31 March 2015	31 March 2015	31 March 2015
2. Shares of Associate/Joint Ventures held by the company on the year end	50%	50%	49%
No.	9,90,000	9,90,000	49,36,850
Amount of Investment in Associates/Joint Venture	Rs.99,00,000/-	Rs.99,00,000/-	Rs.46,06,09,996/-
Extent of Holding %	50%	50%	49%
3. Description of how there is significant influence	Voting power above 20%	Voting power above 20%	Voting power above 20%
4. Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
6. Networth attributable to Shareholding as per latest audited Balance Sheet	(Rs.5,68,01042/-)	(Rs.27,68,56,993/-)	Rs.45,29,28,636/-
7. Profit / (Loss) for the year	Rs.83,71,192/-	(Rs.18,02,17,476/-)	(Rs.11,33,18,233/-)
i. Considered in Consolidation	Rs.83,71,192/-	(Rs.18,02,17,476/-)	(Rs.11,33,18,233/-)
ii. Not Considered in Consolidation	-	-	-

1. Names of associates or joint ventures which are yet to commence operations: Nil
2. Names of associates or joint ventures which have been liquidated or sold during the year: Nil

For and on behalf of the Board

Place: Hyderabad


T.V SANDEEP KUMAR REDDY


J. BRIJ MOHAN REDDY

Date: 20 May 2015

DIRECTOR

DIRECTOR

DIN:00005573

DIN:00012927

Independent Auditor's Report and Financial Statements

Gayatri Infra Ventures Limited

For the Year Ended 31 March 2015

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Independent Auditor's Report

Balance Sheet

Statement of Profit and Loss

Cash Flow Statement

Summary of significant accounting policies and other explanatory information

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
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7th Floor, Block III, White House
Kundan Bagh, Begumpet
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Independent Auditor's Report

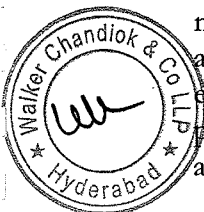
To the Members of Gayatri Infra Ventures Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

2. 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 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; 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

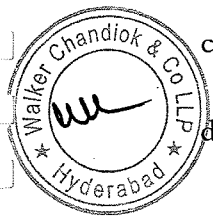
3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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 purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the standalone financial statements 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 (as amended);

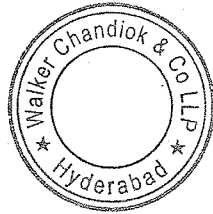


Walker Chandiok & Co LLP

- e. on the basis of the written representations received from the directors as on 31 March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164(2) of the Act; and
- 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. as detailed in Note 18 to the standalone financial statements, the Company has disclosed the impact of pending litigations on its standalone financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Walker Chandiok & Co LLP
For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay
per **Sanjay Kumar Jain**
Partner
Membership No.: 207660



Place : Hyderabad

Date : 20 May 2015

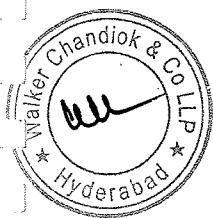
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Annexure to the Independent Auditor's Report of even date to the members of Gayatri Infra Ventures Limited, on the financial statements for the year ended 31 March 2015

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (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 during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) (a) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii) (a) and 3(iii) (b) of the Order are not applicable.
- (iv) Owing to the nature of its business, the Company does not maintain any physical inventories or sells any goods. Further, there are no transactions pertaining to purchase of fixed assets or sales of services. Accordingly, clause 3(iv) of the Order with respect to purchase of inventories and fixed assets and sale of goods and services is not applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) Owing to the nature of its operations, the Company does not have any revenue from sale of products or services during the year. Accordingly, the provisions relating to maintenance of cost records specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of Company's activities are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, sales-tax, wealth tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues are not applicable to the company. Undisputed statutory dues including income tax and service tax, as applicable, have not been regularly deposited with the appropriate authorities and there have been significant delays in a large number of cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Due date	Date of payment
Income Tax Act, 1961	Tax deducted at source	7,730,573	Financial year 2013-14	Various dates	Not yet paid
Income Tax Act, 1961	Tax deducted at source	10,294,125	Financial year 2014-15	Various dates	Not yet paid
The Finance Act, 1994	Service tax	5,500,178	Financial year 2012-13	5 September 2012	Not yet paid



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Annexure to the Independent Auditor's Report of even date to the members of Gayatri Infra Ventures Limited, on the financial statements for the year ended 31 March 2015

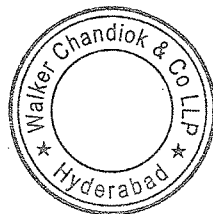
- (b) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹)	Amount paid under protest (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	892,926	455,023	Financial year 2008-09	Commissioner of Income-tax (Appeals), Hyderabad

- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Accordingly, the provisions of clause 3(vii)(c) of the Order are not applicable.
- (viii) In our opinion, the Company's accumulated losses at the end of the financial year are less than fifty percent of its net worth. The Company has incurred cash losses in the current and the immediately preceding financial year.
- (ix) There are no dues payable to banks or debenture-holders. The Company has defaulted in repayment of interest amounting to ₹267,491,779 to financial institution during the year, with the period of delay ranging from 30 to 394 days. Of these, an amount of ₹203,000,000 was repaid before the balance sheet date and the unpaid overdue instalments as at 31 March 2015 are ₹64,491,779.
- (x) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(x) of the Order are not applicable.
- (xi) In our opinion, the Company has applied the term loans for the purpose for which these loans were obtained.
- (xii) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner
Membership No.: 207660



Place : Hyderabad

Date : 20 May 2015

Gayatri Infra Ventures Limited
Balance Sheet as at 31 March 2015
(All amounts in ₹ unless otherwise stated)

	Notes	As at	
		31 March 2015	31 March 2014
Equity and liabilities			
Shareholders' funds			
Share capital	3	17,708,330	17,708,330
Reserves and surplus	4	1,334,502,912	1,558,528,464
		1,352,211,242	1,576,236,794
Non current liabilities			
Long-term borrowings	5	-	-
Current liabilities			
Short-term borrowings	6	517,255,218	276,659,635
Trade payables	7	1,607,084	1,524,064
Other current liabilities	8	1,509,389,676	1,512,441,352
		2,028,251,978	1,790,625,051
Total		3,380,463,220	3,366,861,845
Assets			
Non-current assets			
Fixed assets			
- Tangible assets	9	46,683	793,040
Non-current investments	10	864,063,206	859,113,206
Long-term loans and advances	11	2,304,828,441	2,316,966,293
		3,168,938,330	3,176,872,539
Current assets			
Trade receivables	12	2,826,100	2,826,100
Cash and cash equivalents	13	7,675,408	79,979
Short-term loans and advances	11	201,023,382	187,083,227
		211,524,890	189,989,306
Total		3,380,463,220	3,366,861,845

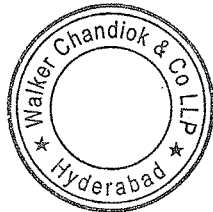
The accompanying notes 1 to 23 form an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

Walker Chandio & Co LLP
For Walker Chandio & Co LLP

Chartered Accountants

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner



For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T.V. Sandeep Kumar Reddy
T.V. Sandeep Kumar Reddy
Director
(DIN : 00005573)

J. Brij Mohan Reddy
J. Brij Mohan Reddy
Director
(DIN : 00012927)

Place: Hyderabad
Date: 20 May 2015

Place: Hyderabad
Date: 20 May 2015

Gayatri Infra Ventures Limited
Statement of Profit and Loss for the year ended 31 March 2015
 (All amounts in ₹ unless otherwise stated)

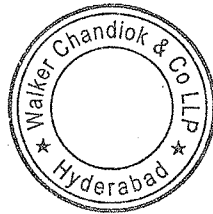
	Notes	For the year ended	
		31 March 2015	31 March 2014
I. Other income	14	23,185,346	22,440,274
II. Total revenue		23,185,346	22,440,274
III. Expenses			
- Employee benefits expense	15	1,929,000	2,448,000
- Finance costs	16	239,732,020	235,739,096
- Depreciation	9	596,444	224,408
- Other expenses	17	4,803,521	7,613,944
Total expenses		247,060,985	246,025,448
IV. Loss before tax		(223,875,639)	(223,585,174)
V. Tax expense			
- Current tax/deferred tax		-	-
VI. Loss for the year		(223,875,639)	(223,585,174)
VII. Earnings / (loss) per equity share (EPES)			
- Basic and diluted		(126.42)	(126.26)
Weighted average number of equity shares considered in computation of EPES		1,770,833	1,770,833
Nominal value per equity share		10	10

The accompanying notes 1 to 23 form an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

Walker Chandiook & Co LLP
 For Walker Chandiook & Co LLP
 Chartered Accountants

Sanjay Kumar Jain
 per Sanjay Kumar Jain
 Partner



Place: Hyderabad
 Date: 20 May 2015

For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T.V. Sandeep Kumar Reddy
 T.V. Sandeep Kumar Reddy
 Director
 (DIN : 00005573)

J. Brij Mohan Reddy
 J. Brij Mohan Reddy
 Director
 (DIN : 00012927)

Place: Hyderabad
 Date: 20 May 2015

Gayatri Infra Ventures Limited
Cash Flow Statement for the year ended 31 March 2015
(All amounts in ₹ unless otherwise stated)

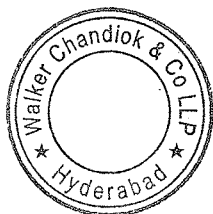
	For the year ended	
	31 March 2015	31 March 2014
Cash flow from operating activities		
Loss before taxation	(223,875,639)	(223,585,174)
Adjustments for:		
Depreciation	596,444	224,408
Interest income	(22,084,300)	(21,928,558)
Interest on borrowings	235,858,056	228,154,525
Operating loss before working capital changes	(9,505,439)	(17,134,799)
Changes in working capital:		
Increase/(decrease) in trade payables	83,020	(167,700)
(Decrease)/increase in other current liabilities	(12,323,926)	20,625,068
(Decrease) in long term loans and advances	-	643,367
Decrease/(increase) in short term loans and advances	5,750,510	(449,440)
Cash (used in)/generated from operating activities before income tax	(6,490,396)	20,651,295
Less: Income taxes refund/(paid)	7,187,852	(2,187,852)
Net cash (used in)/generated from operating activities (A)	(8,807,983)	1,328,644
Cash flow from investing activities		
Interest income received	2,187,852	2,237,893
Dividend income	205,783	-
Net cash from investing activities (B)	2,393,635	2,237,893
Cash flow from financing activities		
Interest charges paid	(226,585,806)	(267,630,018)
Proceeds from short-term borrowings	240,595,583	263,935,542
Net cash from/(used in) financing activities (C)	14,009,777	(3,694,476)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	7,595,429	(127,939)
Cash and cash equivalents at the beginning of the year	79,979	207,918
Cash and cash equivalents at the end of the year	7,675,408	79,979
Cash and cash equivalents comprises of:		
Cash on hand	268	3,595
Balances with banks in current accounts	7,675,140	76,384
	7,675,408	79,979

This Cash Flow Statement referred to in our report of even date.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP

Chartered Accountants

per Sanjay Kumar Jain
Partner



For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T.V. Sandeep Kumar Reddy
T.V. Sandeep Kumar Reddy
Director
(DIN : 00005573)

J. Brij Mohan Reddy
J. Brij Mohan Reddy
Director
(DIN : 00012927)

Place: Hyderabad
Date: 20 May 2015

Place: Hyderabad
Date: 20 May 2015

Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

1. Company overview

Gayatri Infra Ventures Limited ("the Company") was incorporated during the year 2008 in accordance with the provisions of the erstwhile Companies Act, 1956. The Company, on its own and through its subsidiaries and jointly controlled entities, is in the business of construction, operations and maintenance of carriageways on toll and annuity basis pursuant to the development agreements with the National and State Governments and does investments in companies engaged in the construction, operations and maintenance of roads, highways, vehicle bridges and tunnels and toll roads. Considering the nature of operations of the Company, the management is of the view that the Company does not get classified as a Non-banking Finance Company, in accordance with the guidelines of the Reserve Bank of India.

2. Summary of significant accounting policies

(a) Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("Indian GAAP") and in compliance with the mandatory accounting standards ("AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). Unless otherwise stated, the accounting policies applied by the Company are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of work and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

(b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include useful lives of fixed assets, diminution other than temporary in the carrying value of long term investments and deferred taxes. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

(c) Fixed assets

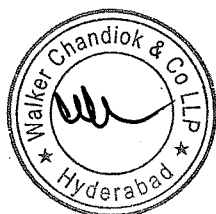
Tangible assets

Tangible assets are carried at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost comprises the purchase price, freight, duties, taxes and any directly attributable cost of bringing the asset to its working condition for its intended use.

Depreciation

Depreciation on fixed assets is provided on straight-line method over their estimated useful lives prescribed under Schedule II to the Act.

Where the remaining useful life of an asset is Nil as on 1 April 2014, the carrying amount of such asset as on that date has been adjusted against opening balance of Reserves and surplus, in accordance with Schedule II to the Companies Act, 2013.



Gayatri Infra Ventures Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

2. Summary of significant accounting policies (continued)

(d) Cash and cash equivalents

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

(e) Operating leases

Leases where the lessor effectively retains substantially all the risks and rewards incidental to the ownership are classified as operating leases. Lease rents in respect of non-cancellable operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the tenure of the lease.

(f) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Contract revenue

- Revenue from construction contracts is recognised using percentage of completion method as prescribed under AS 7 "Construction Contracts" and with reference to stage of completion of the contract activity at the reporting date. Depending on the nature and terms of individual contract, stage of completion is determined on the basis of the proportion of costs incurred for the work performed till date to the total estimated contract costs.
- Price escalation and other claims and / or variation in the contract work are included in contract revenue when:
 - Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim; and
 - The amount that is probable will be accepted by the customer can be measured reliably.
- Revenue from services rendered on a time and material basis is recognised as per the terms of contracts with customers and as and when the related services are performed. Revenue from fixed price arrangements is recognised using the completed contract method and accordingly, work completed and not billed, if any, is recognised as unbilled revenue as at the Balance Sheet date.

Interest income

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

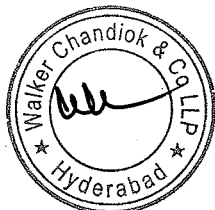
Dividend income

Dividend income is accounted for when the right to receive is established.

(g) Taxes on income

Current tax

Current 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.



Gayatri Infra Ventures Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

2. Summary of significant accounting policies (continued)

(g) Taxes on income (continued)

Deferred tax

Deferred tax charges or credits reflect the tax effect of timing differences between accounting income and taxable income for the period. The deferred tax charges or credits and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future periods; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

(h) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments. Current investments are carried at lower of cost and fair value determined on individual investment basis.

(i) Borrowing costs

Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalised as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

(j) Segment reporting

Segments are identified in line with AS-17 "Segment Reporting", taking into considerations the internal organization and management structure as well as the different risk and returns of the segment.

(k) Earnings / (loss) per equity share

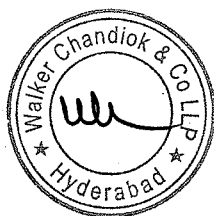
Basic earnings per equity share are calculated by dividing the net profit (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

(l) Provisions and contingent liabilities

Provision is recognized when the Company has a present obligation as a result of a past event and when 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 their present value and are determined based on management's 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 management estimates.

A disclosure of a contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

3. Share capital

	31 March 2015		31 March 2014	
	Number	Amount	Number	Amount
Authorized				
Equity shares of ₹10 each	2,000,000	20,000,000	2,000,000	20,000,000
	2,000,000	20,000,000	2,000,000	20,000,000
Issued, subscribed and paid-up				
Equity shares of ₹10 each fully paid up	1,770,833	17,708,330	1,770,833	17,708,330
	1,770,833	17,708,330	1,770,833	17,708,330

(a) Reconciliation of the number of equity shares outstanding at the beginning and end of the year

	31 March 2015		31 March 2014	
	Number	Amount	Number	Amount
At the beginning and end of year	1,770,833	17,708,330	1,770,833	17,708,330

(b) Terms, rights and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The rights and preferences of each shareholder are in accordance with the shareholders' agreement dated 4 August 2008. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of equity shares held by holding company

	31 March 2015		31 March 2014	
	Number	Amount	Number	Amount
Gayatri Projects Limited*	1,247,000	12,470,000	1,247,000	12,470,000

* Includes 1,200,000 equity shares pledged in favour of IL & FS Financial Services Ltd. against term loan availed by the Company.

(d) Details of shareholders holding more than 5% shares in the company :

	31 March 2015		31 March 2014	
	Number	% holding	Number	% holding
Gayatri Projects Limited	1,247,000	70.42%	1,247,000	70.42%
AMP Capital Finance Mauritius Limited	520,833	29.41%	520,833	29.41%



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

4. Reserve and surplus

	As at	
	31 March 2015	31 March 2014
Securities premium account		
Balance at the beginning and end of the period	2,199,619,577	2,199,619,577
Deficit in the Statement of Profit and Loss		
Balance at the beginning of the year	(641,091,113)	(417,505,939)
Add: Adjustments*	(149,913)	-
Add: Loss for the year	(223,875,639)	(223,585,174)
Balance at the end of the year	(865,116,665)	(641,091,113)
	1,334,502,912	1,558,528,464

* Represents adjustment on account of change in estimated useful life of tangible assets in accordance with the provisions of Schedule II of Companies Act, 2013.

5. Long-term borrowings

	As at	
	31 March 2015	31 March 2014
Term loans		
Unsecured		
From others	1,350,000,000	1,350,000,000
Less: Current maturities of long-term borrowings	1,350,000,000	1,350,000,000
	-	-

a) Details of security

Term loans aggregating to ₹1,350,000,000 (31 March 2014: ₹1,350,000,000) is secured by way of

(a) pledge of 1,200,000 Equity shares of the company held by the holding company, M/s Gayatri Projects Ltd,

(b) corporate guarantee of Gayatri Projects Limited.

These facilities carry interest at the rate of 16% as at 31 March 2015 (31 March 2014: 16%)

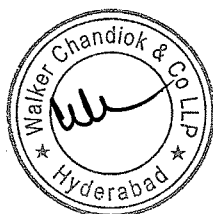
b) Terms of repayment

Up to 1 year*	1,350,000,000	1,350,000,000
	1,350,000,000	1,350,000,000

* The due date for repayment of the above loan being 30 December 2014, has been extended to 30 June 2015 consequent to the rollover arrangement with the lender.

c) Details of overdue amounts of interest

	As at	
	31 March 2015	31 March 2014
0-30 days	1,353,190	-
30-90 days	51,940,116	50,444,425
90-180 days	3,404,779	2,101,234
above 180 days	7,793,695	-
	64,491,779	52,545,659



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

6. Short-term borrowings

	As at	
	31 March 2015	31 March 2014
(Unsecured loans)		
From related party *	517,255,218	276,659,635
	<u>517,255,218</u>	<u>276,659,635</u>

* Represents unsecured, interest free loans from the related party repayable on demand.

7. Trade payables

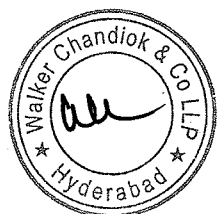
	As at	
	31 March 2015	31 March 2014
Dues to others	83,020	-
Dues to related party*	1,524,064	1,524,064
	<u>1,607,084</u>	<u>1,524,064</u>

* Represents interest free retention money payable to related party.

Based on information available with the Company, as at 31 March 2015 (31 March 2014: Nil), there are no suppliers who are registered as micro and small enterprises under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006.

8. Other current liabilities

	As at	
	31 March 2015	31 March 2014
Current maturities of long-term borrowings (refer note 5)	1,350,000,000	1,350,000,000
Interest accrued and due on borrowings	64,491,779	52,545,659
Interest accrued but not due on borrowings	49,311,602	51,985,472
Statutory liabilities	40,612,181	56,572,856
Other liabilities	4,974,114	1,337,365
	<u>1,509,389,676</u>	<u>1,512,441,352</u>



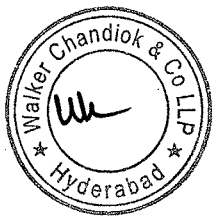
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Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

9. Tangible assets

Particulars	Office equipment	Computers	Total
Gross block			
As at 1 April 2013	161,999	1,286,659	1,448,658
Additions	-	-	-
As at 1 April 2014	161,999	1,286,659	1,448,658
Additions	-	-	-
Adjustments	-	345,120	345,120
As at 31 March 2015	161,999	941,539	1,103,538
Accumulated depreciation			
Up to 1 April 2013	38,664	392,546	431,210
Charge for the year	15,840	208,568	224,408
Adjustments	-	-	-
Up to 31 March 2014	54,504	601,114	655,618
Charge for the year	61,605	534,839	596,444
Adjustments	-	195,207	195,207
Up to 31 March 2015	116,109	940,746	1,056,855
Net block			
As at 31 March 2015	45,890	793	46,683
As at 31 March 2014	107,495	685,545	793,040



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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

10. Non-current investments

	% holding	As at			
		31 March 2015		31 March 2014	
		Number	Amount	Number	Amount
Unquoted trade investments in equity instruments of ₹10 each fully paid:					
- in subsidiaries					
Gayatri Jhansi Roadways Limited*	51.00%	21,619,994	216,199,940	21,619,994	216,199,940
Gayatri Lalitpur Roadways Limited*	51.00%	16,218,000	162,180,000	16,218,000	162,180,000
		37,837,994	378,379,940	37,837,994	378,379,940
- in joint ventures					
Hyderabad Expressways Limited	50.00%	990,000	9,900,000	990,000	9,900,000
Cyberabad Expressways Limited	50.00%	990,000	9,900,000	990,000	9,900,000
Western UP Tollway Limited*	49.00%	4,936,850	460,609,996	4,936,850	460,609,996
		6,916,850	480,409,996	6,916,850	480,409,996
-fellow subsidiaries					
Indore Dewas Tollways Limited	33.36%	16,680	166,800	16,680	166,800
		16,680	166,800	16,680	166,800
-others					
HKR Roadways Limited	11.00%	510,647	5,106,470	15,647	156,470
		510,647	5,106,470	15,647	156,470
Aggregate amount of unquoted investments, at cost		45,282,171	864,063,206	44,787,171	859,113,206

*Equity shares to the tune of 16,267,900 (31 March 2014: 16,267,900) of Gayatri Jhansi Roadways Limited, equity shares to the tune of 12,199,900 (31 March 2014: 12,199,900) of Gayatri Lalitpur Roadways Limited and equity shares to the tune of 4,936,850 (31 March 2014: 4,936,850) of Western UP Tollway Limited have been pledged in favour of Infrastructure Development Finance Company Limited for the term loan availed by the respective companies. Further, equity shares to the tune of 7,980 (31 March 2014: Nil) of HKR Roadways Limited have been pledged in favour of IL & FS Trust Company Limited for the term loan availed by HKR Roadways Limited.

(i) The legal ownership of following shares vests with the holding company, M/s Gayatri Projects Limited, in accordance with the contractual provisions of the agreement. Necessary regulatory filings have however been made to reflect the Company as the beneficiary.

Name of the Company	Number of equity shares	
	31 March 2015	31 March 2014
Gayatri Jhansi Roadways Limited	100	100
Gayatri Lalitpur Roadways Limited	100	100
Hyderabad Expressways Limited	262,548	262,548
Cyberabad Expressways Limited	262,548	262,548
	525,296	525,296



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

11. Loans and advances

	As at	
	31 March 2015	31 March 2014
(Unsecured, considered good)		
a) Long-term		
Advances to related parties		
- to subsidiaries	335,620,060	335,620,060
- to joint ventures	923,640,004	923,640,004
- to fellow subsidiaries	363,000,000	363,000,000
- to others	679,137,309	684,087,309
Advance tax	3,431,068	10,618,920
	2,304,828,441	2,316,966,293
b) Short-term		
Loans to related parties		
- to joint ventures	200,654,218	180,514,113
- to fellow subsidiaries	369,164	6,256,850
- to others	-	312,264
	201,023,382	187,083,227

12. Trade receivables

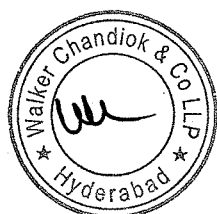
	As at	
	31 March 2015	31 March 2014
(Unsecured, considered good)		
Due for a period exceeding six months		
- Receivable from holding company	2,826,100	2,826,100
	2,826,100	2,826,100

13. Cash and cash equivalents

	As at	
	31 March 2015	31 March 2014
Cash on hand	268	3,595
Balances with banks in current accounts	7,675,140	76,384
	7,675,408	79,979

14. Other income

	For the year ended	
	31 March 2015	31 March 2014
Interest income from jointly controlled entities	21,878,517	21,878,517
Interest on Income tax refund	651,606	561,757
Income from Mutual funds	205,783	-
Other Income	449,440	-
	23,185,346	22,440,274



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

15. Employee benefits expense

	For the year ended	
	31 March 2015	31 March 2014
Salaries and wages	1,929,000	2,448,000
	<u>1,929,000</u>	<u>2,448,000</u>

16. Finance costs

	For the year ended	
	31 March 2015	31 March 2014
Interest expense	235,858,056	228,154,525
Other borrowing costs	3,873,964	7,584,571
	<u>239,732,020</u>	<u>235,739,096</u>

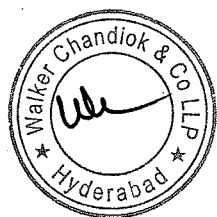
17. Other expenses

	For the year ended	
	31 March 2015	31 March 2014
Rates and taxes	3,397,266	5,975,366
Repairs and maintenance - others	16,696	19,443
Legal and professional charges	23,500	269,428
Payments to the auditor as		
- audit fees	337,080	337,080
- other matters	955,060	955,060
Travelling and conveyance	9,960	21,990
Director's sitting fees	15,000	20,000
Miscellaneous expenses	48,959	15,577
	<u>4,803,521</u>	<u>7,613,944</u>

18. Contingent liabilities and commitments:

	As at	
	31 March 2015	31 March 2014
<i>Contingent liability</i>		
Disputed income tax dues	892,926	892,926
<i>Commitments</i>		
Joint and several liability in respect of associate and other projects	Not ascertainable	Not ascertainable

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Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

19. Related party transactions**a) Names of the related parties and description of relationship**

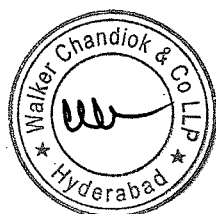
Name of the related party	Nature of relationship
Gayatri Projects Limited	Holding Company
Gayatri Jhansi Roadways Limited	Subsidiary Companies
Gayatri Lalitpur Roadways Limited	
Indore Dewas Tollways Limited	Fellow Subsidiary
Hyderabad Expressways Limited	Jointly Controlled Entities
Cyberabad Expressways Limited	
Western UP Tollway Limited	
HKR Roadways Limited	Enterprises in which KMP and/or their relatives have significant influence
Balaji Highways Holding Private Limited	

b) Transactions with related parties

	For the year ended	
	31 March 2015	31 March 2014
Transactions with Gayatri Projects Limited		
<i>Payments made on behalf of the Company</i>		
- Interest on loans	203,000,000	248,116,702
- Salaries	-	2,167,100
- Loan management fees	-	13,651,740
<i>Amounts received by the Company</i>		
- Unsecured loan	37,595,583	-
Transactions with Hyderabad Expressways Limited		
Reimbursement of expenses	224,720	224,720
Transactions with Cyberabad Expressways Limited		
Interest on advances	21,878,517	21,878,517
Reimbursement of expenses	224,720	224,720
Transactions with HKR Roadways Limited		
- Salaries paid on behalf of the company	209,600	-
- Allotment of shares against advances made	4,950,000	-
Transactions with Balaji Highways Holding Private Limited		
Interest free advance	50,000	-

c) Balances receivable / (payable)

	As at	
	31 March 2015	31 March 2014
Gayatri Projects Limited	(515,953,182)	(275,357,599)
Gayatri Jhansi Roadways Limited	191,800,060	191,800,060
Gayatri Lalitpur Roadways Limited	143,820,000	143,820,000
Indore Dewas Tollways Limited	363,000,000	368,937,686
Hyderabad Expressways Limited	331,549,440	331,324,720
Cyberabad Expressways Limited	413,954,778	394,039,393
Western UP Tollway Limited	378,790,004	378,790,004
HKR Roadways Limited	678,927,709	684,399,573
Balaji Highways Holding Private Limited	369,164	319,164



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

20. Deferred tax

In the absence of virtual certainty of future taxable profits supported by convincing evidence, the Company has not created deferred tax assets on unabsorbed business losses and other timing differences. The Company would be able to use unabsorbed tax depreciation and business losses to set off against future taxable income for a specified period.

21. Segment reporting

Based on the Company's business model and considering the internal financial reporting to the management, the business of construction in the transport infrastructure along with the investment in subsidiaries and joint ventures has been considered as the only reportable segment. Further all the services are rendered only in India. Hence there are no additional disclosures required to be provided in terms of Accounting Standard 17, "Segment Reporting".

22. Investments in joint ventures

The Company's interest, as a venturer, in jointly controlled entities (incorporated Joint Ventures) is:

Name of joint venture	Country of incorporation	Percentage of ownership interests as at 31 March 2015	Percentage of ownership interests as at 31 March 2014
Hyderabad Expressways Limited	India	50%	50%
Cyberabad Expressways Limited	India	50%	50%
Western UP Tollway Limited	India	49%	49%

The Company's interest in these Joint Ventures is reported as Non-current investments (Note 10) and stated at cost. However, the Company's share of each of the assets, liabilities, income and expenses, etc. (each without elimination of the effect of transactions between the Company and the Joint Venture) related to its interests in these Joint Ventures are:

	As at	
	31 March 2015	31 March 2014
Assets		
Non-current assets		
Fixed assets		
- Tangible assets	2,289,026	3,893,763
- Intangible assets	5,796,672,623	6,315,225,554
- Intangible assets under development	51,740,601	21,340,763
Long term loans and advances	298,845	1,211,372
Other non-current assets	16,134,951	10,145,309
Current assets		
Current investments	-	13,301,813
Trade receivables	20,528,779	23,028,779
Cash and cash equivalents	140,244,518	45,147,206
Short-term loans and advances	185,794,769	173,778,870
Other current assets	296,710,474	285,290,341



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

22. Investments in joint ventures (continued)

	As at	
	31 March 2015	31 March 2014
Liabilities		
Non-current liabilities		
Long-term borrowings	4,625,821,169	5,115,884,740
Other long-term liabilities	308,676,977	277,947,941
Long-term provisions	228,219,917	195,901,003
Current liabilities		
Short-term borrowings	344,413,592	319,178,601
Trade payables	28,360,929	22,499,976
Other current liabilities	752,085,291	674,076,621
Short-term provisions	105,018,625	27,917,187
Income		
Revenue from operations	1,228,493,625	1,193,243,748
Other income	20,619,122	23,827,415
Expenses		
Employee benefits expense	10,666,324	10,081,370
Finance costs	635,108,377	672,204,722
Depreciation and amortisation	519,850,988	511,772,868
Operation and maintenance expenses	121,631,818	99,802,282
Other expenses	104,756,835	103,375,375
Capital Commitments		
	Not ascertainable	Not ascertainable

23. Comparatives

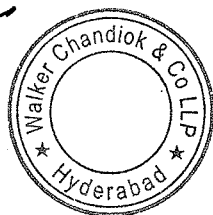
The financial statements for the previous period have been regrouped / rearranged to conform to the current year presentation wherever required.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

Walker Chandio & Co LLP
For Walker Chandio & Co LLP

Chartered Accountants

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner



Place: Hyderabad
Date: 20 May 2015

For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T.V. Sandeep Kumar Reddy
T.V. Sandeep Kumar Reddy
Director
(DIN : 00005573)

Place: Hyderabad
Date: 20 May 2015

J. Brij Mohan Reddy
J. Brij Mohan Reddy
Director
(DIN : 00012927)

Independent Auditor's Report and Consolidated
Financial Statements

Gayatri Infra Ventures Limited

For the Year Ended 31 March 2015

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Consolidated Balance Sheet

Consolidated Statement of Profit and Loss

Consolidated Cash Flow Statement

Summary of significant accounting policies and other explanatory information

Walker Chandiook & Co LLP

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(Formerly Walker, Chandiook & Co)
7th Floor, Block III, White House
Kundan Bagh, Begumpet
Hyderabad 500016
India

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F +91 40 6630 8230

Independent Auditor's Report

To the Members of Gayatri Infra Ventures Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Gayatri Infra Ventures Limited, ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entities, which comprise the Consolidated Balance Sheet as at 31 March 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

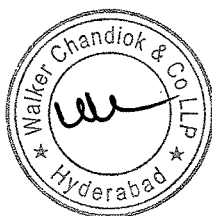
2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and its jointly controlled entities, 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 (as amended). The Holding Company's Board of Directors, and the respective Board of Directors of the subsidiaries included in the Group, and of its jointly controlled entities are responsible for the design, implementation and maintenance of internal control



relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Further, in terms with the provisions of the Act, the respective Board of Directors of the Holding Company and its subsidiaries and jointly controlled entities, are responsible for maintenance of adequate accounting records; safeguarding the assets; 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, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. While conducting the 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 auditor's report under the provisions of the Act and the Rules made thereunder.
5. 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 consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated 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 Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 10(a) of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.



Basis for Qualified Opinion

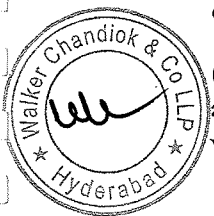
8. The independent auditors of Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited, the subsidiaries of the Holding Company, have qualified their auditor's report on the financial statements for the year ended 31 March 2015 in connection with the following matters:
 - i. For non-compliances with the provisions of Accounting Standard – 29, where in Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited have not disclosed contingent liabilities to the extent of ₹1,202,718,645 (31 March 2014: ₹1,202,718,645) and ₹996,673,320 (31 March 2014: ₹996,673,320), respectively, on account of escalation claims raised by the EPC contractor and not acknowledged as debts.
 - ii. Loans and advances of Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited include receivables of ₹272,960,257 (31 March 2014: ₹272,960,257) and ₹283,594,725 (31 March 2014: ₹283,594,725), respectively, given to Gayatri Projects Limited and is doubtful of recovery. The Hon'ble High Court of Andhra Pradesh has appointed an arbitrator in respect of this matter and the related proceedings are under progress.

Qualified Opinion

9. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and jointly controlled entities as noted below, except for the effects and possible effects of the matters described in sub-paragraphs 8(i) and 8(ii) respectively of the Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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 consolidated state of affairs of the Group and its jointly controlled entities as at 31 March 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

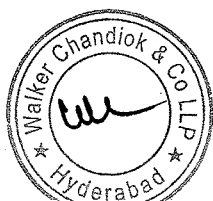
Other Matter

10. (a) We did not audit the financial statements of two subsidiaries and three jointly controlled entities, included in the consolidated financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹12,618,975,567 as at 31 March 2015, total revenues (after eliminating intra-group transactions) of ₹2,336,567,791 and net cash flows amounting to ₹215,783,311 for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors.
 - (b) Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.



Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, and based on the comments in the auditor's reports of the subsidiaries and jointly controlled entities, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. As required by Section 143(3) of the Act, and based on the auditor's reports of the subsidiaries and jointly controlled entities, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements;
 - b) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - c) The consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014(as amended);
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiaries and jointly controlled entities, none of the directors of the Group companies and its jointly controlled entities, incorporated in India is disqualified as on 31 March, 2015 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) Except for the possible effects of the matters described in the Basis of Qualified Opinion Paragraph, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entities, as detailed in note 26;



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- (ii) The Group and its jointly controlled entities did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries and joint controlled entities.

Walker Chandiok & Co LLP

For Walker Chandiok & Co LLP

Chartered Accountants

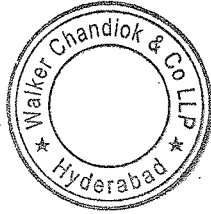
Firm's Registration No.: 001076N/N500013

Sanjay

per Sanjay Kumar Jain

Partner

Membership No.: 207660



Place: Hyderabad

Date: 20 May 2015

**Annexure to the Independent Auditor's Report of even date to the members of
Gayatri Infra Ventures Limited, on the consolidated financial statements for the year
ended 31 March 2015**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the consolidated financial statements of the Holding Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit and based on the comments in the auditor's reports of the subsidiaries and jointly controlled entities incorporated in India, we report that:

- (i) (a) The Group and its jointly controlled entities incorporated in India have 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 of the Group and its jointly controlled entities during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Group and its jointly controlled entities, and the nature of their assets.
- (ii) (a) The Group and its jointly controlled entities do not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Group and its jointly controlled entities have not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.
- (iv) Owing to the nature of its business, the Group and its jointly controlled entities do not maintain any physical inventories or sell any goods. Accordingly, clause 3(iv) of the Order with respect to purchase of inventories and sale of goods is not applicable. In our opinion, there is an adequate internal control system commensurate with the size of the Group and its jointly controlled entities and the nature of their businesses for the purchase of fixed assets, development and maintenance of intangible assets and recognition and collection of annuities. During the course of our audit, no major weakness has been noticed in the internal control system in respect of this area.
- (v) The Group and its jointly controlled entities have not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.



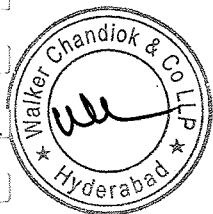
Annexure to the Independent Auditor's Report of even date to the members of Gayatri Infra Ventures Limited, on the consolidated financial statements for the year ended 31 March 2015

- (vi) According to the information and explanations given to us, we are of the opinion that, prima facie, the prescribed accounts and records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of services of the Group and its jointly controlled entities have been made and maintained except in case of the Holding Company, wherein owing to the nature of the operations, the Holding Company does not have any revenue from sale of products or services during the year. Accordingly, the provisions relating to maintenance of cost records specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of its activities are not applicable. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) The Group and its jointly controlled entities are regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities except in case of the Holding company, wherein, the undisputed statutory dues have not been regularly deposited with the appropriate authorities and there have been significant delays in a large number of cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable, except in case of the Holding company, wherein the details of the dues outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Due date	Date of payment
Income Tax Act, 1961	Tax deducted at source	7,730,573	Financial year 2013-14	Various dates	Not yet paid
Income Tax Act, 1961	Tax deducted at source	10,294,125	Financial year 2014-15	Various dates	Not yet paid
The Finance Act, 1994	Service tax	5,500,178	Financial year 2012-13	5 September 2012	Not yet paid

- (b) There are no dues in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute, except in case of the Holding company, wherein the dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess on account of any dispute are as follows:

Name of the statute	Nature of dues	Amount (₹)	Amount paid under protest (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	892,926	455,023	Financial year 2008-09	Commissioner of Income-tax (Appeals), Hyderabad



Annexure to the Independent Auditor's Report of even date to the members of Gayatri Infra Ventures Limited, on the consolidated financial statements for the year ended 31 March 2015

- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its jointly controlled entities in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Accordingly, the provisions of clause 3(vii)(c) of the Order are not applicable.
- (viii) The accumulated losses of two subsidiaries and two jointly controlled entities at the end of the financial year are more than fifty percent of its net worth. The accumulated losses of the Holding company and one jointly controlled entity at the end of the financial year are less than fifty percent of its net worth. The Group and its jointly controlled entities have not incurred cash losses during the year as well as in the immediately preceding year except in case of the Holding company which incurred cash losses in the current and the immediately preceding financial year.
- (ix) The Group and its jointly controlled entities have no dues payable to debenture-holders during the year. The Holding Company has no dues payable to any bank during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable. However, the Holding Company has defaulted in the repayment of interest amounting to ₹267,491,779 to financial institutions during the year, with the period of delays ranging from 30 to 394 days. Of these, an amount of ₹203,000,000 was paid before the balance sheet date and the unpaid overdue interest as at 31 March 2015 are ₹64,491,779. Two subsidiaries and two jointly controlled entities have not defaulted in repayment of dues to any bank and there are no dues payable to financial institutions during the year by those subsidiaries and jointly controlled entities. One jointly controlled entity has defaulted in repayment of dues to the banks and financial institution during the year and the period and amount of continuing default as on the Balance sheet date is as follows:

Name of the bank	Amount (₹)	Due date	Delay in days
Allahabad Bank	16,187,500	31 March 2015	1 day
Central Bank of India	24,500,000	31 March 2015	1 day
Dena Bank	17,937,500	31 March 2015	1 day
Indian Bank	24,500,000	31 March 2015	1 day
ICICI Bank	16,187,500	31 March 2015	1 day
United Bank of India	25,073,125	31 March 2015	1 day
Vijaya Bank	16,187,500	31 March 2015	1 day
IIFCL	24,062,500	31 March 2015	1 day

- (x) The Group and its jointly controlled entities have not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(x) of the Order are not applicable.



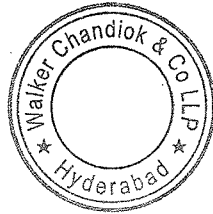
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**Annexure to the Independent Auditor's Report of even date to the members of
Gayatri Infra Ventures Limited, on the consolidated financial statements for the year
ended 31 March 2015**

- (xi) According to the information and explanations given to us, the Group and its jointly controlled entities have applied the term loans for the purpose for which these loans were obtained.
- (xii) No fraud on or by the Group and its jointly controlled entities have been noticed or reported during the period covered by our audit.

Walker Chandiok & Co LLP
For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay
per Sanjay Kumar Jain
Partner
Membership No.: 207660



Place : Hyderabad

Date : 20 May 2015

Gayatri Infra Ventures Limited
Consolidated Balance Sheet as at 31 March 2015
(All amount in ₹ unless otherwise stated)

	Notes	As at	
		31 March 2015	31 March 2014
Equity and liabilities			
Shareholders' funds			
Share capital	6	17,708,330	17,708,330
Reserves and surplus	7	503,055,727	907,828,029
		520,764,057	925,536,359
Minority interest		150,191,726	189,635,455
Non-current liabilities			
Long-term borrowings	8	8,857,760,147	9,543,386,044
Other long-term liabilities	9	57,278,066	26,549,030
Long-term provisions	10	228,011,404	195,901,003
		9,143,049,617	9,765,836,077
Current liabilities			
Short-term borrowings	11	621,662,434	354,781,861
Trade payables	12	63,534,203	55,662,484
Other current liabilities	13	2,535,514,532	2,452,531,243
Short-term provisions	10	646,018,000	488,862,896
		3,866,729,169	3,351,838,484
		13,680,734,569	14,232,846,375
Assets			
Non-current assets			
Fixed assets			
- Tangible assets	14	2,554,999	5,197,924
- Intangible assets	15	10,405,151,249	11,192,724,025
- Intangible assets under development		53,651,907	23,252,069
Non-current investments	16	5,273,270	323,270
Long-term loans and advances	17	1,208,002,869	1,150,070,818
		11,674,634,294	12,371,568,106
Current assets			
Current investments	16	-	13,301,813
Trade receivables	18	574,842,456	598,453,088
Cash and cash equivalents	19	497,303,168	273,924,428
Short-term loans and advances	17	682,942,316	753,824,363
Other current assets	20	251,012,335	221,774,577
		2,006,100,275	1,861,278,269
		13,680,734,569	14,232,846,375

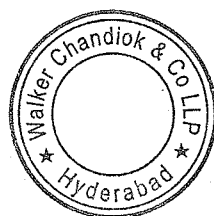
The accompanying notes 1 to 31 form an integral part of these consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

Walker Chandiook & Co UP
For Walker Chandiook & Co LLP

Chartered Accountants

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner



Place: Hyderabad
Date: 20 May 2015

For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T.V. Sandeep Kumar Reddy
T.V. Sandeep Kumar Reddy
Director
(DIN : 00005573)

J. Brij Mohan Reddy
J. Brij Mohan Reddy
Director
(DIN : 00012927)

Place: Hyderabad
Date: 20 May 2015

Gayatri Infra Ventures Limited**Consolidated Statement of Profit and Loss for the year ended 31 March 2015**

(All amount in ₹ unless otherwise stated)

	Notes	For the year ended	
		31 March 2015	31 March 2014
I. Revenue from operations	21	2,306,493,625	2,271,307,778
II. Other income	22	30,931,555	32,842,702
III. Total revenue		2,337,425,180	2,304,150,480
IV. Expenses			
- Employee benefits expense	23	29,334,709	28,103,444
- Finance costs	24	1,402,853,524	1,462,716,099
- Depreciation and amortisation expense	14 and 15	915,097,433	811,055,242
- Other expenses	25	435,961,636	383,456,157
- Prior period items, net		(2,541,325)	(1,508,124)
Total expenses		2,780,705,977	2,683,822,818
V. Loss before tax		(443,280,797)	(379,672,338)
VI. Tax expense			
- Current tax		507,417	5,352,035
VII. Loss for the year		(443,788,214)	(385,024,373)
Share of loss to minority		(39,443,729)	(3,496,769)
Share of loss attributable to owners of the parent		(404,344,485)	(381,527,604)
VIII. Earnings/(loss) per equity share (EPES)			
-Basic and diluted		(228.34)	(215.45)
Weighted average number of equity shares considered in computation of basic and diluted EPES		1,770,833	1,770,833
Nominal value per equity share		10	10

The accompanying notes 1 to 31 form an integral part of these consolidated financial statements.

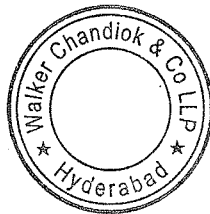
This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

Walker Chandio & Co LLP

For Walker Chandio & Co LLP

Chartered Accountants

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner



For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

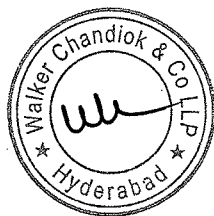
T.V. Sandeep Kumar Reddy *J. Brij Mohan Reddy*
Director Director
(DIN : 00005573) (DIN : 00012927)

Place: Hyderabad
Date: 20 May 2015

Place: Hyderabad
Date: 20 May 2015

Gayatri Infra Ventures Limited
Consolidated Cash Flow Statement for the year ended 31 March 2015
(All amount in ₹ unless otherwise stated)

	For the year ended	
	31 March 2015	31 March 2014
Cash flow from operating activities		
Loss before taxation	(443,280,797)	(379,672,338)
Adjustments for:		
Depreciation and amortisation	915,097,433	811,055,242
Interest income	(915,649)	(908,901)
Income from mutual funds	(27,996,712)	(26,207,320)
Interest on borrowings	1,391,678,794	1,446,570,048
Profit on sale of fixed assets	(42,301)	-
Operating profit before working capital changes	1,834,540,768	1,850,836,731
Changes in working capital:		
Increase/(decrease) in trade payables	7,871,719	(92,105,174)
(Decrease)/increase in other current liabilities	(20,159,366)	62,427,015
Increase in provisions	189,265,505	195,845,812
Decrease in trade receivables	23,610,632	7,644
Decrease in short-term loans and advances	70,882,047	349,385,966
Increase in other current assets	(29,237,758)	(2,085,838)
Cash from operating activities before income tax	242,232,779	513,475,425
Less: Income taxes paid	(24,066,517)	(17,480,408)
Net cash generated from operating activities	(A) 2,052,707,030	2,346,831,748
Cash flow from investing activities		
Interest received	915,649	908,901
Income from mutual funds	27,996,712	26,207,320
Purchase of fixed assets	(90,453)	(1,141,086)
Sale of fixed assets	167,502	-
Expenditure on intangible assets	(195,067,086)	(146,653,064)
Investment in/proceeds from in mutual funds (net)	13,301,813	(13,301,813)
Net cash used in investing activities	(B) (152,775,863)	(133,979,742)
Cash flow from financing activities		
Interest paid	(1,387,659,110)	(1,545,581,502)
Repayment of long-term borrowings	(555,773,890)	(570,544,292)
Proceeds from short-term borrowings, net	266,880,573	24,292,967
Net cash used in financing activities	(C) (1,676,552,427)	(2,091,832,827)
Net increase in cash and cash equivalents	(A+B+C) 223,378,740	121,019,179
Cash and cash equivalents at the beginning of the year	273,924,428	152,905,249
Cash and cash equivalents at the end of the year	497,303,168	273,924,428



Gayatri Infra Ventures Limited

Consolidated Cash Flow Statement for the year ended 31 March 2015

(All amount in ₹. unless otherwise stated)

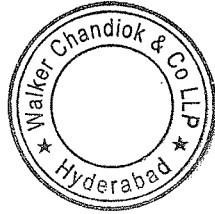
	For the year ended	
	31 March 2015	31 March 2014
Cash and cash equivalents comprises of:		
Cash on hand	950,358	1,259,405
Balances with banks	496,352,810	272,665,023
	<u>497,303,168</u>	<u>273,924,428</u>

This is the Consolidated Cash Flow Statement referred to in our report of even date.

Walker Chandio & Co LLP
For Walker Chandio & Co LLP

Chartered Accountants

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner



Place: Hyderabad
Date: 20 May 2015

For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T.Y. Sandeep Kumar Reddy
T.Y. Sandeep Kumar Reddy
Director
(DIN : 00005573)

J. Brij Mohan Reddy
J. Brij Mohan Reddy
Director
(DIN : 00012927)

Place: Hyderabad
Date: 20 May 2015

Gayatri Infra Ventures Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

1. Group Overview

Gayatri Infra Ventures Limited (“the Company”) was incorporated on 22 January 2008 under the provisions of the erstwhile Companies Act, 1956. The Company, on its own and through its subsidiaries (collectively referred to as the ‘Group’) and its jointly controlled entities, is in the business of construction, operations and maintenance of carriageways on toll and annuity basis pursuant to the development agreements with the National and State Governments and does investments in companies engaged in the construction, operations and maintenance of roads, highways, vehicle bridges and tunnels and toll roads. Considering the nature of operations of the Company, the management is of the view that the Company does not get classified as a Non-banking Finance Company, in accordance with the guidelines of the Reserve Bank of India. The Company is a subsidiary of Gayatri Projects Limited, India.

2. Basis of preparation of financial statements

The consolidated financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India (“Indian GAAP”) and in compliance with the mandatory accounting standards (“AS”) as prescribed under Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). Unless otherwise stated, the accounting policies applied by the Group are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the group's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of work and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the group has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

3. Basis of consolidation

The consolidated financial statements relate to Gayatri Infra Ventures Limited (the Company) and its subsidiary companies and jointly controlled entities. These Consolidated Financial Statements have been prepared on the following basis:

i. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items like assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits and losses as per Accounting Standard 21 – “Consolidated Financial Statements”.

ii. Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and the equity of the company's shareholders. Minority Interest in the net assets of consolidated subsidiaries consists of:

- The amount of equity attributable to minorities at the date on which investment in a subsidiary is made and
- The minorities' share of movements, if any, in equity since the date the parent-subsidiary relationship came into existence.

iii. Minority interest's share of net profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

3. Basis of consolidation (continued)

iv. The financial statements of jointly controlled entities have been consolidated using the “proportionate consolidation method” as per Accounting Standard 27 on “Financial Reporting of Interests in Joint Ventures” on line by line basis by adding together the book values of assets, liabilities, income and expenses after eliminating unrealized profits/losses on intra group transactions.

v. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company’s standalone financial statements.

4. List of subsidiaries and jointly controlled entities consolidated:

The following entities, incorporated in India, have been considered for the purpose of preparation of consolidated financial statements.

	% Interest	
	31 March 2015	31 March 2014
Subsidiaries		
Gayatri Jhansi Roadways Limited	50.99%	50.99%
Gayatri Lalitpur Roadways Limited	51.00%	51.00%
Jointly Controlled Entities		
Cyberabad Expressways Limited	50.00%	50.00%
Hyderabad Expressways Limited	50.00%	50.00%
Western UP Tollways Limited	49.00%	49.00%

Note: Indore Dewas Tollways Limited, the company in which Gayatri Infra Ventures Limited holds an equity interest of 33.32% (31 March 2014: 33.32%) has been considered as a subsidiary of Gayatri Projects Limited, Holding Company for the purpose of consolidation in accordance with the provisions of Accounting Standard – 21, “Consolidated Financial Statements”.

5. Summary of significant accounting policies

(a) Use of estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statements and amounts of income and expenses. Examples of such estimates include the provision for doubtful receivables, determination of recoverable amounts of fixed assets, deferred tax assets, employee benefits, total projected revenue from a carriageway related to toll based road projects and useful lives of fixed assets.

Although these estimates are based upon management’s best knowledge of current events and actions, actual results could materially differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.



Gayatri Infra Ventures Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

5. Summary of significant accounting policies (continued)

(b) Revenue Recognition

Contract revenue

- Revenue from construction contracts is recognised using percentage of completion method as prescribed under AS 7 "Construction Contracts" and with reference to stage of completion of the contract activity at the reporting date. Depending on the nature and terms of individual contract, stage of completion is determined on the basis of the proportion of costs incurred for the work performed till date to the total estimated contract costs.
- Price escalation and other claims and / or variation in the contract work are included in contract revenue when:
 - Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim; and
 - The amount that is probable will be accepted by the customer can be measured reliably.
- Revenue from services rendered on a time and material basis is recognised as per the terms of contracts with customers and as and when the related services are performed. Revenue from fixed price arrangements is recognised using the completed contract method and accordingly, work completed and not billed, if any, is recognised as unbilled revenue as at the Balance Sheet date.

Development of highways

In case of companies involved in construction and maintenance of roads, toll revenue from operations is recognised on accrual basis which coincides with the collection of toll. In annuity based projects, revenue recognition is based on annuity accrued on time basis in accordance with the provisions of the concessionaire agreement entered into with NHAI or with respective state governments. Claims raised on NHAI or with respective state governments under concessionaire agreement are accounted for in the year of acceptance.

Interest Income

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

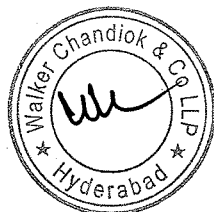
Dividend income

Dividend income is accounted for when the right to receive is established.

(b) Fixed Assets

Tangible assets

Tangible assets are stated at cost of acquisition, less accumulated depreciation thereon. The cost of an item of fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.



Gayatri Infra Ventures Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

5. Summary of significant accounting policies (continued)

(b) Fixed Assets (continued)

Intangible assets

Carriageways represents commercial rights to collect toll fee in relation to roads projects and to receive annuity in the case of annuity based projects which has been accounted at the cost incurred on the project activity towards reconstruction, strengthening, widening, rehabilitation of the roads on build, operate and transfer basis. It includes all direct material, labour and subcontracting costs, inward freight, duties, taxes, obligation towards negative grant payable to concessionaires, if any, and any directly attributable expenditure on making the commercial right ready for its intended use.

(c) Depreciation and Amortisation

Depreciation

Depreciation of tangible assets is provided on the basis of straight line method in accordance with Schedule II to the Act.

Amortisation

Carriageways related to annuity based projects are amortised over the period of the respective Concession Agreements on a straight line basis.

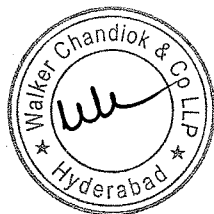
Carriageways related to toll based road projects are amortised based on proportion of actual revenue received during the accounting year to the total projected revenue till the end of the concession period in accordance with notification dated 17 April 2012 issued by the Ministry of Corporate Affairs, Government of India.

The total projected revenue for the entire useful life is reviewed at the end of each financial year for expected changes in traffic and adjusted to reflect any changes in the estimate which will lead to actual collection at the end of useful life.

Intangible assets representing carriageways are amortised over the concession period, ranging from 10 to 20 years, which is beyond the maximum period of 10 years as specified in AS 26 on Intangible Assets, as the economic benefits from the underlying assets would be available to the Group over such period as per the respective concessionaire agreements.

(d) Impairment

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



Gayatri Infra Ventures Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

5. Summary of significant accounting policies (continued)

(e) Grants

Grants or subsidies from the government or any regulatory authority are recognised when there is reasonable assurance that the grant/subsidy will be received and all conditions attached to the grant/subsidy will be complied with.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant or subsidy relates to an asset, the grant or subsidy amount (net of direct amount incurred to earn aforesaid grant or subsidy) is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

(f) Employee benefits

Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Group and its jointly controlled entities provide for gratuity covering eligible employees (a defined benefit plan). Liability on account of gratuity is provided on the basis of valuation of the liability by an independent actuary as at year end.

Compensated absences

Liability for compensated absence is provided on the basis of valuation by an independent actuary as at year end.

Provident fund

Contributions to Provident Fund (a defined contribution plan) made to Regional Provident Fund Commissioner are recognized as expense in the year in which contribution is made.

(g) Borrowing Cost

Borrowing Costs that are attributable to the acquisition and construction of qualifying assets are capitalized as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. Any income on the temporary investments of borrowings is deducted from the borrowing cost.

(h) Investments

Investments are classified as current and non-current investments. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Non-current investments are carried at cost less provision for permanent diminution, if any, in the value of such investments. Current investments are carried at lower of cost and fair value.



Gayatri Infra Ventures Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

5. Summary of significant accounting policies (continued)

(i) Earnings/(loss) per equity share

Basic earnings per equity 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, if any.

(j) Taxes on Income

Current Tax

Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax

Deferred Tax is recognized on timing differences between the accounting income and the taxable income for the year, and computed using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

At each reporting date, the entities in the group re-assess unrecognised deferred tax assets. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future periods. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.

The carrying amount of deferred tax assets are reviewed at each reporting date. The entities in the group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 deferred taxes relate to the same taxable entity and the same taxation authority.

(k) Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise of cash at bank and on hand and include short term investments with an original maturity of three months or less.

(l) Provisions and contingent liabilities

Provision is recognized when the Group and its jointly controlled entities has a present obligation as a result of a past event and when 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 their present value and are determined based on management's 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 management estimates. A disclosure of a contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.



Gayatri Infra Ventures Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

5. Summary of significant accounting policies (continued)

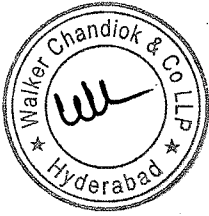
(m) Segment reporting

Segments are identified in line with Accounting Standard (AS) -17, "Segment Reporting", taking into considerations the internal organization and management structure as well as the different risk and returns of the segment.

(n) Operating leases

Leases where the lessor effectively retains substantially all the risks and rewards incidental to the ownership are classified as operating leases. Lease rents in respect of non-cancellable operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the tenure of the lease.

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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

6. Share capital

	31 March 2015		31 March 2014	
	Number	Amount	Number	Amount
Authorized:				
Equity shares of ₹10 each	2,000,000	20,000,000	2,000,000	20,000,000
	2,000,000	20,000,000	2,000,000	20,000,000
Issued, subscribed and fully paid-up:				
Equity shares of ₹10 each	1,770,833	17,708,330	1,770,833	17,708,330
	1,770,833	17,708,330	1,770,833	17,708,330

(a) Reconciliation of the number of equity shares outstanding at the beginning and end of the year

	31 March 2015		31 March 2014	
	Number	Amount	Number	Amount
At the beginning and end of the year	1,770,833	17,708,330	1,770,833	17,708,330

(b) Terms, rights and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The rights and preferences of each shareholder are in accordance with the shareholders' agreement dated 4 August 2008. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of equity shares held by holding company

	31 March 2015		31 March 2014	
	Number	Amount	Number	Amount
Gayatri Projects Limited*	1,247,000	12,470,000	1,247,000	12,470,000

* Includes 1,200,000 equity shares pledged in favour of IL & FS Financial Services Limited against term loan availed by the Company.

(d) Details of shareholders holding more than 5% shares in the company :

	31 March 2015		31 March 2014	
	Number	% holding	Number	% holding
Gayatri Projects Limited	1,247,000	70.42%	1,247,000	70.42%
AMP Capital Finance Mauritius Limited	520,833	29.41%	520,833	29.41%



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

7. Reserves and surplus

	As at	
	31 March 2015	31 March 2014
Securities premium account		
Balance at the beginning and end of the year	2,199,619,577	2,199,619,577
Capital reserve		
Balance at the beginning of the year	-	276,262,000
Adjustments*	-	(276,262,000)
Balance at the end of the year	-	-
Deficit in the Statement of Profit and Loss		
Balance at the beginning of the year	(1,291,791,548)	(910,263,944)
Add: Loss for the year	(404,344,485)	(381,527,604)
Add: Adjustments**	(427,817)	-
Balance at the end of the year	(1,696,563,850)	(1,291,791,548)
	503,055,727	907,828,029

* Represents group's share of project grant received by Western UP Tollway Limited duly adjusted against the cost of carriageway.

** Represents adjustment on account of change in estimated useful life of tangible assets in accordance with the provisions of Schedule II to Companies Act, 2013.

8. Long-term borrowings

	As at	
	31 March 2015	31 March 2014
Secured		
-from banks	5,530,796,403	5,927,558,573
-from others	3,609,018,357	3,768,030,077
	9,139,814,760	9,695,588,650
Unsecured		
-from others	1,350,000,000	1,350,000,000
-from related parties	569,174,603	569,174,603
	11,058,989,363	11,614,763,253
Less: Current maturities of long term borrowings	2,201,229,216	2,071,377,209
	8,857,760,147	9,543,386,044

(a) Details of loans

(i) Unsecured term loans aggregating to ₹1,350,000,000 (31 March 2014: ₹1,350,000,000) obtained by Gayatri Infra Ventures Limited is sought by way of:

(a) pledge of 1,200,000 Equity shares held by the holding company, M/s Gayatri Projects Ltd,

(b) corporate guarantee of Gayatri Projects Limited.

The facility carry interest at the rate as at 31 March 2015 of 16.00% per annum (31 March 2014: 16.00% per annum).



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

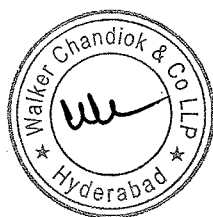
8. Long-term borrowings (continued)

- (ii) Secured terms loans aggregating to ₹2,058,151,180 (31 March 2014: ₹2,108,107,542) obtained by Gayatri Jhansi Roadways Limited is secured by way of:
- (a) First mortgage and charge of all the borrower's immovable properties, present and future.
- (b) First charge by way of hypothecation of:
- all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
 - operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
 - all intangibles, including but not limited to goodwill, uncalled capital, present and future.
 - Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
 - Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
 - Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital.

The facilities carry an interest rate of 11.20% per annum (31 March 2014: 11.20% per annum).

- (iii) Secured terms loans aggregating to ₹ 731,084,800 (31 March 2014: ₹722,642,800) obtained by Gayatri Jhansi Roadways Limited is secured by way of:
- (a) Second mortgage and charge of all the borrower's immovable properties, present and future.
- (b) Second charge by way of hypothecation of:
- all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
 - Operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
 - All intangibles, including but not limited to goodwill, uncalled capital, present and future.
 - Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
 - Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
 - Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital

The facilities carry an interest rate ranging from 11.50% to 12.85% per annum (31 March 2014: 10.95% to 12.80% per annum).



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

8. Long-term borrowings (continued)

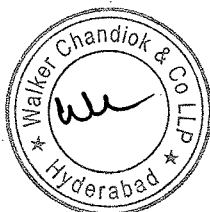
- (iv) Secured terms loans aggregating to ₹1,646,560,619 (31 March 2014: ₹1,734,505,627) obtained by Gayatri Lalitpur Roadways Limited is secured by way of:
- (a) First mortgage and charge of all the borrower's immovable properties, present and future.
- (b) First charge by way of hypothecation of:
- all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
 - operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
 - all intangibles, including but not limited to goodwill, uncalled capital, present and future.
 - Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
 - Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
 - Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital.

The facilities carry an interest rate of 11.25% per annum (31 March 2014: 11.25% per annum).

- (v) Secured terms loans aggregating to ₹430,938,940 (31 March 2014: ₹452,894,160) obtained by Gayatri Lalitpur Roadways Limited, is secured by way of:
- (a) Second mortgage and charge of all the borrower's immovable properties, present and future.
- (b) Second charge by way of hypothecation of:
- all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
 - Operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
 - All intangibles, including but not limited to goodwill, uncalled capital, present and future.
 - Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
 - Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
 - Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital.

The facilities carry an interest rate ranging from 11.50% to 12.85% per annum (31 March 2014: 10.95% to 12.80% per annum).

- (vi) Unsecured term loans to the tune of ₹322,400,250 (31 March 2014: ₹322,400,250) borrowed by Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited from its shareholder's represents zero interest subordinate loan repayable after the repayment of other secured loans from banks and financial institutions.



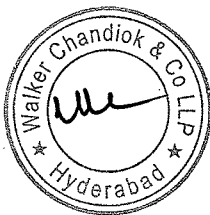
Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

8. Long-term borrowings (continued)

- (vii) Secured term loans aggregating to ₹1,347,166,009 (31 March 2014: ₹1,502,926,961) obtained by Cyberabad Expressways Limited is secured by way of first pari passu charge in favour of the lenders/security agent to the project by way of hypothecation of:
- All monies including annuity receivable from Hyderabad Growth Corridor Limited (HGCL) to the credit of the escrow Account.
 - All rights, title, interest, benefits, claims and demands of the company under project agreements subject to the provisions of the concession agreement.
 - Assignment of rights, title and interest to or in favor of the lenders pursuant to and in accordance with the substitution agreement as per the provisions of the financing documents of the project.
- The facilities carry an interest rate of 11.50% per annum (31 March 2014: 11.50% per annum).
- (viii) Secured term loans aggregating to ₹977,093,909 (31 March 2014: ₹1,104,362,660) obtained by Hyderabad Expressways Limited is secured by way of first pari passu charge in favour of the lenders/security agent to the project by way of hypothecation of:
- All monies including annuity receivable from HGCL to the credit of the escrow Account.
 - All rights, title, interest, benefits, claims and demands of the company under project agreements subject to the provisions of the concession agreement.
 - Assignment of rights, title and interest to or in favor of the lenders pursuant to and in accordance with the substitution agreement as per the provisions of the financing documents of the project.
- The facilities carry an interest rate of 11.50% per annum (31 March 2014: 11.50% per annum).
- (ix) Secured term loans aggregating to ₹1,948,819,303 (31 March 2014: ₹2,070,148,900) obtained by Western UP Tollways Limited are secured by way of:
- first mortgage and charge in a form satisfactory to all company's immovable properties, present and future expect project assets.
 - first charge by way of hypothecation of all the company's movables, including movable plant and machinery, present and future except the project assets, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets.
 - A first charge on operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising present or future.
 - subject to provisions of provisions on concession agreement, first charge on the escrow account, debt service reserve, MMR and other reserves.
 - A first pledge of 100% of paid up capital till three years of commencement of commercial operations and thereafter minimum 51% of total paidup capital of the company held by the promoters during the tenure of the loan.
- The facilities carry an interest rate ranging from 11.50% to 12.06% per annum (31 March 2014: 11.50% to 14.00% per annum).
- (x) Unsecured term loans to the tune of ₹246,774,353 (31 March 2014: ₹246,774,353) is obtained by Western UP Tollways Limited from related parties carrying interest at the rate of 12% per annum (31 March 2014: 12% per annum).



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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

(b) Terms of repayment for secured loans from banks and others and the unsecured loans from others

	As at	
	31 March 2015	31 March 2014
Up to 1 year	2,201,229,216	2,071,377,209
2 to 5 years	4,320,151,140	3,556,813,920
Above 5 years	4,537,609,007	5,986,572,124
	11,058,989,363	11,614,763,253

(c) Details of overdue installments of principal and interest on unsecured loans from banks and others

	As at	
	31 March 2015	31 March 2014
Principal		
0-30 days	74,224,063	70,624,953
Interest		
0-30 days	19,118,142	44,424,542
30-90 days	51,940,116	75,165,659
90-180 days	3,404,779	1,296,930
above 180 days	7,793,695	1,609,820
	82,256,731	122,496,950

9. Other long-term liabilities

	As at	
	31 March 2015	31 March 2014
Interest accrued but not due*	57,278,066	26,549,030
	57,278,066	26,549,030

* Represents interest on contractual dues payable to related parties.

10. Provisions

	As at	
	31 March 2015	31 March 2014
a) Long-term		
Provision for periodic maintenance		
As at beginning of the year	195,805,943	475,131,266
Add: Charge for the year	95,651,641	191,726,198
Less: Transferred during the year	(63,700,000)	(471,051,520)
As at end of the year	227,757,584	195,805,943
Provision for gratuity and compensated absences	253,820	95,060
	228,011,404	195,901,003
b) Short-term		
Provision for periodic maintenance	646,018,000	488,862,896
	646,018,000	488,862,896



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

11. Short-term borrowings

	As at	
	31 March 2015	31 March 2014
Unsecured		
-from related parties	621,662,434	354,781,861
	<u>621,662,434</u>	<u>354,781,861</u>

Represents unsecured loans from related parties repayable on demand along with interest at the rate of 16% per annum (31 March 2014: 16% per annum).

12. Trade payables

	As at	
	31 March 2015	31 March 2014
Sundry creditors	57,244,353	50,087,926
Other payables	6,289,850	5,574,558
	<u>63,534,203</u>	<u>55,662,484</u>

Based on information available with the Group and its jointly controlled entities, as at 31 March 2015 (31 March 2014: Nil), there are no suppliers who are registered as micro and small enterprises under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006.

13. Other current liabilities

	As at	
	31 March 2015	31 March 2014
Current maturities of long-term borrowings (refer note 8)	2,201,229,216	2,071,377,209
Interest accrued and due on borrowings*	117,473,558	144,052,761
Interest accrued but not due on borrowings	64,196,866	64,327,015
Statutory liabilities	48,353,157	59,122,644
Dues to related party	25,014,028	82,506,809
Provision for expenses	79,247,707	31,144,805
	<u>2,535,514,532</u>	<u>2,452,531,243</u>

* Includes interest accrued and due on short-term borrowings from related parties to the tune of ₹35,216,827 (31 March 2014: ₹21,555,811)



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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

14. Tangible Assets

	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Computers	Total
Gross block						
As at 1 April 2013	362,732	922,378	6,128,929	1,414,188	2,022,863	10,851,090
Additions during the year	-	-	1,127,086	-	14,000	1,141,086
Disposals	-	-	-	-	-	-
As at 31 March 2014	362,732	922,378	7,256,015	1,414,188	2,036,863	11,992,176
Additions during the year	-	44,057	28,227	18,169	-	90,453
Disposals	-	-	880,909	-	-	880,909
Adjustments	-	-	1,091,550	499,660	502,870	2,094,080
As at 31 March 2015	362,732	966,435	5,311,783	932,697	1,533,993	9,107,640
Depreciation						
Up to 31 March 2013	246,530	459,763	3,133,712	693,965	1,089,486	5,623,456
Charge for the year	66,441	68,401	637,086	152,759	246,109	1,170,796
Deletions / adjustments	-	-	-	-	-	-
Up to 31 March 2014	312,971	528,164	3,770,798	846,724	1,335,595	6,794,252
Charge for the year	11,511	78,054	1,237,549	314,445	538,800	2,180,359
Deletions	-	-	755,709	-	-	755,709
Adjustments	-	-	953,494	365,414	347,353	1,666,261
Up to 31 March 2015	324,482	606,218	3,299,144	795,755	1,527,042	6,552,641
Net block						
As at 31 March 2015	38,250	360,217	2,012,639	136,942	6,951	2,554,999
As at 31 March 2014	49,761	394,214	3,485,217	567,464	701,268	5,197,924

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Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

15. Intangible assets

Carriage way	As at	
	31 March 2015	31 March 2014
Gross block		
At the beginning of the year	13,729,644,626	13,153,100,469
Additions during the year	125,344,298	852,806,157
Adjustments (refer note 7)	-	276,262,000
At the end of the year	13,854,988,924	13,729,644,626
Accumulated amortisation		
At the beginning of the year	2,536,920,601	1,727,036,155
Charge for the year	912,917,074	809,884,446
At the end of the year	3,449,837,675	2,536,920,601
Net block	10,405,151,249	11,192,724,025

16. Investments

	As at	
	31 March 2015	31 March 2014
a) Non-current		
Unquoted trade investments of ₹10 each fully paid:		
-fellow subsidiaries		
16,680 equity shares (31 March 2014: 16,680), representing 33.36% (31 March 2014: 33.36%) in Indore Dewas Tollways Limited	166,800	166,800
	166,800	166,800
-others		
510,647 equity shares (31 March 2014: 15,647), representing 11.00% (31 March 2014: 11.00%) in HKR Roadways Limited	5,106,470	156,470
	5,106,470	156,470
Aggregate amount of unquoted investments, at cost	5,273,270	323,270
b) Current		
Other than trade and unquoted - valued at lower cost or fair value		
Investment in mutual funds		
HDFC liquid fund - Dividend - Daily Reinvest		
[Nil (31 March 2014: 1,304,330.5) units of ₹10 each fully paid up]*	-	13,301,813
Aggregate amount of unquoted investments	-	13,301,813

*Represents group's share of 50%, out of the total units of Nil (31 March 2014: 2,608,659)



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

17. Loans and advances

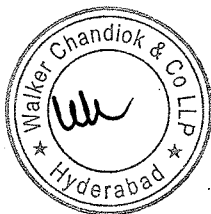
	As at	
	31 March 2015	31 March 2014
(Unsecured, considered good)		
a) Long-term		
Advances to related parties		
- fellow subsidiaries	363,000,000	363,000,000
- others	719,372,794	684,087,309
Security deposits	801,088	1,713,622
Advance tax (net of provision)	124,828,987	101,269,887
	<u>1,208,002,869</u>	<u>1,150,070,818</u>
b) Short-term		
Advances to related parties		
- holding company	682,573,151	708,679,403
- fellow subsidiaries	369,165	6,256,850
- others	-	38,888,110
	<u>682,942,316</u>	<u>753,824,363</u>

18. Trade receivables

	As at	
	31 March 2015	31 March 2014
(Unsecured, considered good)		
Due for a period exceeding six months	34,841,035	43,577,608
Other receivables	540,001,421	554,875,480
	<u>574,842,456</u>	<u>598,453,088</u>

19. Cash and cash equivalents

	As at	
	31 March 2015	31 March 2014
Cash on hand	950,358	1,259,405
Balances with banks		
- in current accounts	452,252,810	272,665,023
- in deposit accounts, with maturity less than three months	44,100,000	-
	<u>497,303,168</u>	<u>273,924,428</u>



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Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

20. Other current assets

	As at	
	31 March 2015	31 March 2014
(unsecured, considered good)		
Accrued annuity	228,793,487	209,444,879
Prepaid expenses	1,829,495	293,211
Others	20,389,353	12,036,487
	251,012,335	221,774,577

21. Revenue from operations

	For the year ended	
	31 March 2015	31 March 2014
Annuity income	1,777,900,000	1,777,893,707
Toll collections	466,461,625	430,177,247
Operations and maintenance support	62,132,000	62,132,000
Income from change of work scope	-	1,104,824
	2,306,493,625	2,271,307,778

22. Other income

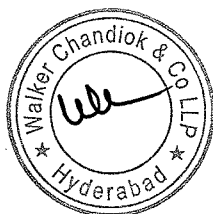
	For the year ended	
	31 March 2015	31 March 2014
Interest income	915,649	908,901
Income from mutual funds	27,996,712	26,207,320
Profit on sale of Fixed Assets	42,301	-
Miscellaneous receipts	1,976,893	5,726,481
	30,931,555	32,842,702

23. Employee benefits expense

	For the year ended	
	31 March 2015	31 March 2014
Salaries and wages	29,075,795	27,947,589
Staff welfare expenses	78,177	58,432
Contribution to provident and other fund	180,737	97,423
	29,334,709	28,103,444

a) Significant assumptions for gratuity and compensated absences

	For the year ended	
	31 March 2015	31 March 2014
Discount Rate	8%	8%
Expected rate of salary increases	5%	5%
Expected average future service of employees	22 Years	20 Years



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

24. Finance costs

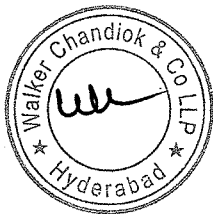
	For the year ended	
	31 March 2015	31 March 2014
Interest on borrowings	1,391,678,794	1,446,570,048
Other borrowing costs	11,174,730	16,146,051
	1,402,853,524	1,462,716,099

25. Other expenses

	For the year ended	
	31 March 2015	31 March 2014
Toll operating expenses	24,291,147	24,371,669
Repairs and maintenance - carriage way	356,304,175	317,157,171
Insurance expenses	2,994,593	2,826,455
Consultancy and professional charges	16,260,629	11,909,675
Rent	4,235,515	4,064,469
Payments to the auditors as		
- audit fees	337,080	337,080
- other matters	955,060	955,060
Travelling and conveyance	2,952,852	3,029,278
Miscellaneous expenses	27,630,585	18,805,300
	435,961,636	383,456,157

26. Commitments and contingent liabilities:

	As at	
	31 March 2015	31 March 2014
a) Contingent liabilities		
Disputed income tax dues	892,926	91,634,108
Transit fee on forest produce disputed by the subsidiaries	296,244,291	296,244,291
Cess under Building and Other Construction Workers' Welfare Cess Act 1956 and rules 1988 in a jointly controlled entity	-	12,201,000
b) Commitments		
Contracts remaining to be executed on capital accounts (net of advances)	101,963,688	192,544,796
Operation and Maintenance (O&M) Service fee payable to the Ultimate Holding company as per the O&M agreement	2,669,062,270	2,743,941,615
Joint and several liability in respect of investment in associate and other projects	Not ascertainable	Not ascertainable



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

27. Additional information pursuant to Schedule III to the Companies Act, 2013

Name of the entity	Net assets		Share in profit or loss	
	As a % of consolidated net assets	Amount(₹)	As a % of consolidated profit or loss	Amount(₹)
Parent				
Gayatri Infra Ventures Limited	-144%	(967,296,016)	55%	(245,978,876)
Subsidiaries				
- Indian				
Gayatri Jhansi Roadways Limited	55%	367,072,928	13%	(57,846,827)
Gayatri Lalitpur Roadways Limited	41%	273,366,638	5%	(22,650,580)
Joint Ventures				
- Indian				
Cyberabad Expressways Limited	43%	286,424,421	12%	(51,595,358)
Hyderabad Expressways Limited	18%	125,824,744	2%	(10,190,638)
Western UP tollway Limited	87%	585,563,068	13%	(55,525,935)
Total		670,955,783		(443,788,214)
Minority Interests in all subsidiaries				
Gayatri Jhansi Roadways Limited	13%	86,307,417	6%	(28,344,945)
Gayatri Lalitpur Roadways Limited	10%	63,884,309	3%	(11,098,784)

28. Related party transactions

a) Names of the related parties and description of relationship

Name of the related party	Nature of relationship
Gayatri Projects Limited	Holding Company
Indore Dewas Tollways Limited	Fellow Subsidiary
Deep Corporation Private Limited	Enterprises in which KMP and/or their relatives have significant influence
HKR Roadways Limited	
Balaji Highways Holding Private Limited	
Axis Energy Ventures India Private Limited	
IL & FS Engineering & Construction Company Limited (IL & FS)	Shareholders' having significant influence in a jointly controlled entity
Terra Projects Limited	
India Infrastructure Fund	
NCC Limited	
NCC Infrastructure Holdings Limited	



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

28. Related party transactions (continued)**b) Transactions with related parties**

	For the year ended	
	31 March 2015	31 March 2014
Transactions with Gayatri Projects Limited (GPL)		
<i>Payments made by GPL on behalf of the group towards</i>		
- Unsecured loans received	266,880,574	248,116,702
- Salaries	-	2,167,100
- Loan management fees	-	13,651,740
<i>Amounts paid to GPL towards</i>		
- Shared services availed	13,500,000	14,590,000
- Interest on borrowings	28,014,165	23,645,024
- Operations and maintenance	86,166,827	105,572,358
- Development expenditure of intangible assets	122,127,355	395,708,806
- Major maintenance	22,412,865	22,412,865
- Reimbursement of expenses	-	248,000
Transactions with Deep Corporation Limited		
Rent	1,620,409	1,549,699
Transactions with HKR Roadways Limited		
Salaries paid on behalf of the Group	209,600	-
Income from vehicle hire charges	-	3,072,300
Transactions with IL & FS		
Interest on loans	15,440,000	16,984,000
Transactions with NCC Limited		
Interest on unsecured term loan	15,348,806	13,852,713
Reimbursement of expenses	230,908	194,922
Transactions with NCC Infrastructure Holdings Limited		
Management fees paid	2,642,707	2,642,707
Transactions with Axis Energy Ventures India Private Limited		
Repairs & Maintenance	2,653,061	-

c) Balances receivable/(payable)

	As at	
	31 March 2015	31 March 2014
Gayatri Projects Limited	(296,640,525)	(25,484,635)
Indore Dewas Tollways Limited	363,000,000	368,937,686
HKR Roadways Limited	678,927,709	687,471,873
Balaji Highways Holding Private Limited	369,164	319,164
IL & FS Engineering & Construction Company Limited	(195,922,949)	(182,026,949)
Terra Projects Limited	(147,094,911)	(147,094,911)
India Infrastructure Fund	(322,400,000)	(322,400,000)
NCC Limited	(145,598,945)	(130,472,309)
NCC Infrastructure Holdings Limited	(194,132,902)	(194,132,902)



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

29. Deferred tax

In the absence of virtual certainty of future taxable profits supported by convincing evidence, the group has not created deferred tax assets on unabsorbed business losses and other timing differences. The group would be able to use unabsorbed tax depreciation and business losses to set off against future taxable income for a specified period.

30. Segment reporting

Based on the Group's business model and considering the internal financial reporting to the management, subsidiaries and joint ventures which are engaged in the business of construction in the transport infrastructure has been considered as the only reportable segment. Further all the services are rendered only in India. Hence there are no additional disclosures required to be provided in accordance with Accounting Standard 17, "Segment Reporting".

31. Comparatives

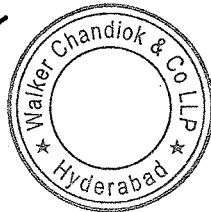
The financial statements for the previous period have been regrouped / rearranged to conform to the current year presentation wherever required.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

Walker Chandio & Co LLP

For Walker Chandio & Co LLP
Chartered Accountants

per Sanjay Kumar Jain
Partner



Place: Hyderabad
Date: 20 May 2015

For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

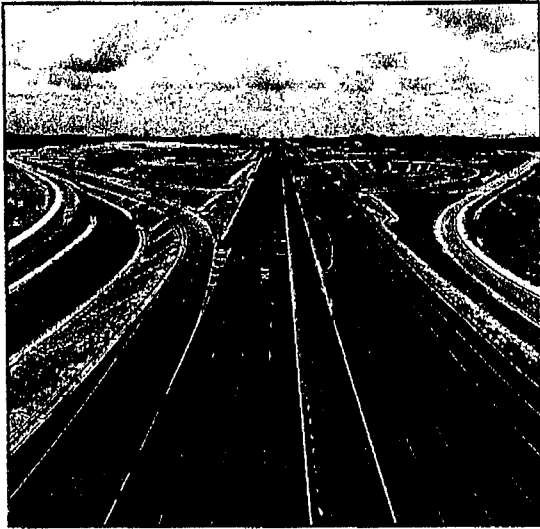
T.V. Sandeep Kumar Reddy *J. Brij Mohan Reddy*
Director Director
(DIN : 00005573) (DIN : 00012927)

Place: Hyderabad
Date: 20 May 2015

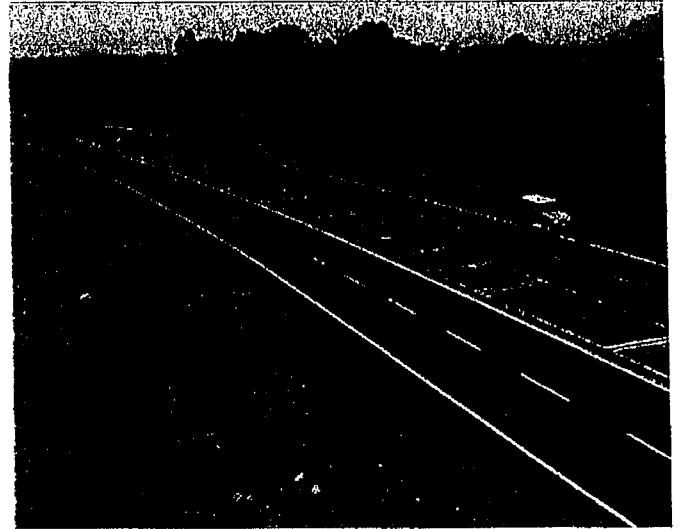


GAYATRI INFRA VENTURES LIMITED

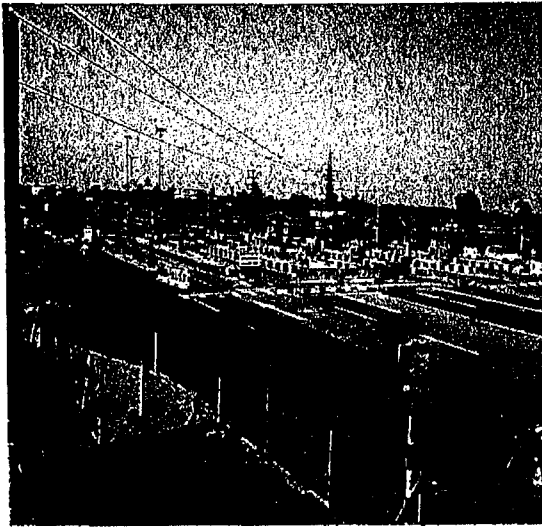
8TH ANNUAL REPORT 2015-16



BONGULUR TO TUKKUGUDA (ORR - HYD)



JHANSI - LALITPUR SECTION OF NH - 26



INDORE TO DEWAS (NH - 3)



HYDERABAD-KARIMNAGAR-RAMAGUNDAM (SH - 1)

CERTIFIED TRUE COPY

Infrastructure is the lifeline of an economy. And we add our bit to it.

For GAYATRI INFRA VENTURES LIMITED

DIRECTOR

BOARD OF DIRECTORS

Sri. J. Brij Mohan Reddy	Director
Sri. Sharat Goyal	Director
Sri. Ch. Harivithal Rao	Director
Sri. M.V. Narasimha Rao	Director
Sri. T. Anirudh Reddy	Director

REGISTERED & CORPORATE OFFICE

6-3-1090, B-1,
TSR Towers, Rajbhavan Road,
Somajiguda,
Hyderabad - 500082, Telangana.

Corporate Identification No.: U45209TG2008PLC057269

AUDITORS

M/s. Walker, Chandiook & Co LLP
Chartered Accountants
7th Floor, Block III,
White House, Kundan Bagh,
Begumpet, Hyderabad - 500016

BANKERS

Canara Bank,
Rajbhavan Road,
Somajiguda, Hyderabad.

BOARDS' REPORT

To
The Members,

Your Directors have immense pleasure in presenting the 8th Annual Report of your Company and the Audited Financial Statements for the year ended 31st March, 2016.

1. FINANCIAL SUMMARY:

The following table depicts the financial results of your Company for the year ending 31st March 2016:

Rs.			
S. No.	Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
1	Income from Operations	-	-
2	Other Income	2,22,78,891	2,24,40,274
	Total Income	2,22,78,891	2,24,40,274
3	Employee Benefits Expense	15,54,000	24,48,000
4	Finance Costs	25,22,23,937	23,57,39,096
5	Depreciation	42,288	2,24,408
6	Other Expenses	98,90,100	76,13,944
	Total Expenditure	26,37,10,325	24,60,25,448
7	Profit/(Loss) Before Tax	(24,14,31,434)	(22,35,85,174)
8	Less: Provision for Tax	-	-
9	Profit/(Loss) After Tax	(24,14,31,434)	(22,35,85,174)

2. THE YEAR IN RETROSPECT

During this Financial Year, Your Company availed a Term Loan of Rs. 150 Crore from Bhandara Thermal Power Corporation Limited (BTPCL) and the amount is used for repayment of Term Loan of Rs. 135 Crore taken from IL&FS Financial Services Limited (IFIN) and interest thereon.

The Financial Year 2015-16 was a difficult year for your Company, owing to severe shortfall of funds throughout the year. Hence, apart from the fact that the Company did not participate in bidding for any new projects, your Company also did not honour Interest commitments on the Term Loan availed from Bhandara Thermal Power Corporation Limited. on a timely basis. The loss for the current year is majorly due to the Interest cost being borne by your Company on the Term Loan availed from IL&FS Financial Services Ltd. and Bhandara Thermal Power Corporation Limited.

The members are aware that your Company has advanced an amount of Rs.13.67 Crores to Cyberabad Expressways Ltd. as per the Memorandum of Understanding (MoU) dated 5th August 2011, which would bear an Interest rate of 16% p.a. Once the said amount is repaid by Cyberabad Expressways Ltd., your Company would be in a better position with respect to cash flows. M/s Cyberabad Expressways Ltd. has to receive arrears of Annuity of Rs.140.89 Crores, apart from a bonus annuity, alongwith Interest thereon for delayed payments, from which the dues payable to your Company will be cleared.

3. FUTURE OUTLOOK

At the outset, your Directors foresee an urgent and immediate need of funds for the Company, so as to enable servicing the Interest on Term Loan from Bhandara Thermal Power Corporation Limited (BTPCL) on quarterly basis. At present, your Company does not have funds to meet the regular administrative expenses.

Your Directors are exploring various possible avenues in this regard.

4. EXTRACT OF ANNUAL RETURN

The Extracts of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 and the same is enclosed as **Annexure-1**.

5. BOARD MEETINGS

During the year ended 31st March, 2016, Six Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The dates on which the Board meetings were held are 20.05.2015, 26.08.2015, 01.10.2015, 10.11.2015, 24.12.2015 and 22.03.2016.

Attendance of Directors at the meetings:

The details of the attendance of the Directors at the Board meetings held during the year ended 31st March, 2016.

Name of the Director	Number of Board Meetings	
	Held	Attended
J. Brij Mohan Reddy	6	6
Sharat Goyal	6	2
Ch. Harivithal Rao	6	6
M.V. Narasimha Rao	6	5
T. Anirudh Reddy	4	4
T.V. Sandeep Kumar Reddy	2	1

Audit Committee Meetings

During the year ended 31st March, 2016, one Audit Committee Meeting was convened and held. The date on which the Audit Committee meeting was held is 20.05.2015.

Attendance of Directors at the meetings:

The details of the attendance of the Directors at the Audit Committee meetings held during the year ended 31st March, 2016.

Name of the Director	Number of Audit Committee Meetings	
	Held	Attended
M.V. Narasimha Rao	1	1
Sharat Goyal	1	1
Ch. Harivithal Rao	1	1

6. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies and applied them consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Ch. Harivithal Rao was appointed as Director of the Company in the category of Independent Director with effect from 3rd March, 2015 to 2nd March, 2019 in the AGM held on 26.08.2015.

Mr. M.V. Narasimha Rao was appointed as Director of the Company in the category of Independent Director with effect from 3rd March, 2015 to 2nd March, 2016 in the AGM held on 26.08.2015.

Mr. M.V. Narasimha Rao was re-appointed as Director of the Company in the category of Independent Director for the second term with effect from 3rd March, 2016 up to 2nd March, 2021 in the Board Meeting held on 22.03.2016.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

Mr. T.V. Sandeep Kumar Reddy has resigned as a Director of the Company with effect from 27th August, 2015.

Mr. T. Anirudh Reddy was appointed as an Additional Director of the Company with effect from 27th August, 2015.

8. DECLARATION BY INDEPENDENT DIRECTORS

The independent directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6).

9. RE-APPOINTMENTS

Mr. J. Brij Mohan Reddy, Director of the Company is retiring by rotation and being eligible, offers himself for re-appointment.

10. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration.

11. AUDITORS REPORT

NOTES TO THE QUALIFICATIONS IN THE AUDITORS' REPORT

The Company has entered into a definitive agreement with Cube Highways and Infrastructures PTE Limited for divestment of its shareholding in Western UP Tollways Limited. However, the exact sale price is under final negotiation and to be finalized on satisfaction of the Conditions Precedent. Hence, the company could not take any decision regarding consequential effects on the matter on the carrying value of investments. The Statutory Auditor has ignored the above facts and has chosen to qualify the audit report of the Company for F.Y. 2015-16, in error.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with the related parties referred to in Section 188 in the Form AOC – 2 is annexed herewith as **Annexure-2**.

14. TRANSFER OF AMOUNT TO RESERVES

The Company does not propose to transfer any amount to the general reserve for the Financial Year ended 31st March, 2016.

15. DIVIDEND

The Board of Directors does not recommend any dividend on the Equity Shares for the financial year ended 31st March, 2016.

16. MATERIAL CHANGES AND COMMITMENTS

There has been no material change and commitments 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.

There has been no change in the nature of business of the Company.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information relating to Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014 is Nil.

18. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

As already mentioned above, your Company has invested in various Build, Operate & Transfer (BOT) Road Assets, from which there has been no return till date. Your Company is regularly monitoring these investments, so as to obtain returns, if any, in the future, so that the loan commitments are honoured.

Apart from the above, your Company has ensured that adequate operating procedures are developed and implemented on a consistent basis, so as to ensure that the financial statements of the Company are free from material misstatements.

19. POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR.

The policy developed and implemented by the Company on Corporate Social Responsibility initiatives taken during the year is Nil as the relevant provisions of the Companies Act, 2013 in this regard are not applicable to the Company.

20. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees.

21. SUBSIDIARY COMPANIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATE COMPANIES

During the Financial Year ending on 31st March 2016, your Company had two subsidiaries, namely Gayatri Jhansi Roadways Ltd. and Gayatri Lalitpur Roadways Ltd. and three Jointly Controlled Entities, namely, Hyderabad Expressways Ltd., Cyberabad Expressways Ltd., Western UP Tollway Ltd.

The names of companies which have become or ceased to be Company's Subsidiaries, joint ventures or associate companies during the year

During the Financial Year, no company is ceased as Company's subsidiary, joint venture or associate company.

Whereas the Company has sold its entire investment of being 49,36,850 Equity Shares of Rs. 10 each along with Shareholders Loan / Subordinated debt (ZISL) amounting to Rs. 37,87,90,004/- held by the Company in Western UP Tollways Limited (WUPTL) to Cube Highways and Infrastructure Pte Ltd or its Nominees/ Associates/ Subsidiaries

22. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Accounting Standards AS – 21 and AS – 27 issued by the Institute of Chartered Accountants of India and specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014; your Directors have pleasure in attaching the Consolidated Financial Statements for the financial year ended 31st March 2015, which forms part of the Annual Report and accounts.

23. STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

A Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures in the Form AOC – 1 is annexed herewith as **Annexure-3**.

24. DEPOSITS

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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.

26. STATUTORY AUDITORS

At the Annual General Meeting held on 26th August, 2015, M/s. Walker Chandiook & Co LLP, Chartered Accountants, New Delhi bearing ICAI Regn. No. 001076N/N500013, were appointed as statutory auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2018. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting.

Accordingly, the appointment of M/s. Walker Chandiook & Co LLP, Chartered Accountants, New Delhi bearing ICAI Regd. No.001076N/N500013, as statutory auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

27. PARTICULARS OF EMPLOYEES

There are no employees in the Company who are drawing prescribed salary pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

28. VIGIL MECHANISM

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy are available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company.

29. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company has ensured that appropriate policies and procedures are adopted for ensuring orderly and efficient conduct of the business, including adherence to Company's policies, the safeguarding of its assets, prevention and detection of fraud and error, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

30. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company lays emphasis on competence and commitment of its human capital recognizing its pivotal role for organizational growth.

During the year, the Company maintained a record of peaceful employee relations. Your Directors wish to place on record their appreciation for the commitment shown by the employees throughout the year.

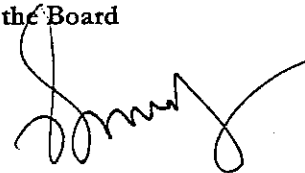
31. ACKNOWLEDGEMENTS

Your Directors express their appreciation to the Company's Bankers, Statutory Auditors, Customers, Consultants and Members for their constant help, co-operation and support.

For and on behalf of the Board



T. ANIRUDH REDDY
Director
DIN: 06908378



J. BRIJ MOHAN REDDY
Director
DIN:00012927

Place: Hyderabad
Date: 23rd May, 2016

ANNEXURE - 1

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended 31.03.2016
[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:	
CIN	U45209TG2008PLC057269
Registration Date	22/01/2008
Name of the Company	GAYATRI INFRA VENTURES LIMITED
Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non Government Company
Address of the Registered Office and contact details	1 st Floor, 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana. E Mail: rajkumar@givl.co.in , Tel: 040-23310330
Whether listed company	Unlisted
Name, address and contact details of Registrar and Transfer Agent, if any	AARTHI CONSULTANTS PRIVATE LIMITED Registered Office: 1-2-285, Domalguda, Hyderabad - 500029, Telangana. E Mail: info@arthiconsultants.com , Tel: 040-27638111

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 and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Holding Activities	64200	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -					
Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Gayatri Projects Limited, 1 st Floor, 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana.	L99999TG1989PLC057289	Holding	70.59%	2(46)
2	Gayatri Jhansi Roadways Limited, 1 st Floor, 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda,	U50403TG2006PLC050569	Subsidiary	51%	2(87)

-a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	0	0	0	0	0	0	0	0	0
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	5,20,833	5,20,833	29.41	5,20,833	-	5,20,833	29.41	-
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):	-	5,20,833	5,20,833	29.41	5,20,833	-	5,20,833	29.41	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	5,20,833	5,20,833	29.41	5,20,833	-	5,20,833	29.41	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	17,70,833	17,70,833	100	5,20,833	12,50,000	17,70,833	100	0

ii) Shareholding of Promoters

S.No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	Gayatri Projects Ltd	12,47,000	70.42	67.76	12,47,000	70.42	67.76	-
2	T. Indira Reddy (Nominee of M/s. Gayatri Projects Limited)	1,000	0.06	-	1,000	0.06	-	-
3	T.V. Sandeep Kumar Reddy (Nominee of M/s. Gayatri Projects Limited)	1,000	0.06	-	1,000	0.06	-	-
4	T. Sarita Reddy (Nominee of M/s. Gayatri Projects Limited)	700	0.04	-	700	0.04	-	-
5	Dr. C. Satyanarayana (Nominee of M/s. Gayatri Projects Limited)	100	0.01	-	100	0.01	-	-
6	P. Maruthi Babu (Nominee of M/s. Gayatri Projects Limited)	100	0.01	-	100	0.01	-	-
7	Ch. Harivithal Rao (Nominee of M/s. Gayatri Projects Limited)	100	0.01	-	100	0.01	-	-
Total		12,50,000	70.59		12,50,000	70.59		

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

S. 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	1250000	70.59		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
	At the end of the year	1250000	70.59	-	-

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	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	5,20,833	29.41	-	-
	Date wise Increase / Decrease in Share holding 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)	5,20,833	29.41	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Top 10 Shareholders	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	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of 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	1,35,00,00,000	51,72,55,218	-	1,86,72,55,218
ii) Interest due but not paid	6,44,91,779	-	-	6,44,91,779
iii) Interest accrued but not	4,93,11,602	-	-	4,93,11,602
Total (i+ii+iii)	1,46,38,03,381	51,72,55,218	-	1,98,10,58,599
Change in Indebtedness during the financial year				
Addition	15,53,19,937	3,57,14,522	-	19,10,34,459
Reduction	91,06,689	-	-	91,06,689
Net Change	14,62,13,248	(3,57,14,522)	-	(18,19,27,770)
Indebtedness at the end of the financial year				
i) Principal Amount	1,50,00,00,000	55,29,69,740	-	2,05,29,69,740
ii) Interest due but not paid	5,53,85,090	-	-	5,53,85,090
iii) Interest accrued but not due	5,46,31,539	-	-	5,46,31,539
Total (i+ii+iii)	1,61,00,16,629	55,29,69,740	-	2,16,29,86,369

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. 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 under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) 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:

1. Independent Directors

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. M.V.N. Rao	Ch. Harivithal Rao	
	-Fee for attending Board/Committee Meetings	Rs.25,000/-	Rs.30,000/-	Rs.55,000/-
	-Commission	-	-	-
	- Others, please specify	-	-	-
	Total (B)(1)	Rs.25,000/-	Rs.30,000/-	Rs.55,000/-

2. Other Non Executive Directors

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
	-Fee for attending Board/Committee Meetings	-	-	-
	-Commission	-	-	-
	- Others, please specify	-	-	-
	Total (B)(2)	-	-	-
	Total (B)= (B)(1)+ (B)(2)	Rs.25,000/-	Rs.30,000/-	Rs.55,000/-

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

Sl. 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) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) 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: -N.A.-

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	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

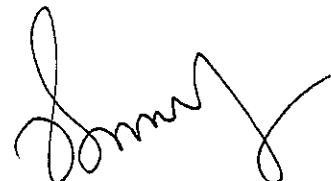
For and on behalf of the Board



T. ANIRUDH REDDY

Director

DIN: 06908378



J. BRIJ MOHAN REDDY

Director

DIN:00012927

Place: Hyderabad

Date: 23rd May, 2016

ANNEXURE-2

Form No. AOC-2

(Pursuant to clause (b) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

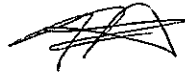
1. Details of contracts or arrangements or transactions not at arm's length basis

(a) Name(s) of the related party and nature of relationship	Nil
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship	During the year, no material contracts or arrangements have been entered into by the Company.
(b) Nature of contracts/arrangements/transactions	Not Applicable
(c) Duration of the contracts / arrangements/transactions	Not Applicable
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Not Applicable
(e) Date(s) of approval by the Board, if any:	Not Applicable
(f) Amount paid as advances, if any:	Not Applicable

For and on behalf of the Board



T. ANIRUDH REDDY
Director
DIN: 06908378



J. BRIJ MOHAN REDDY
Director
DIN:00012927

Place: Hyderabad
Date: 23rd May, 2016

ANNEXURE - 3

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

1. Sl. No.	1	2
2. Name of the subsidiary	Gayatri Jhansi Roadways Limited	Gayatri Lalitpur Roadways Limited
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian Rupees	Indian Rupees
5. Share capital	42,40,00,000	31,79,80,060
6. Reserves & surplus	(30,31,13,838)	(19,96,62,126)
7. Total assets	352,18,93,338	264,19,36,808
8. Total Liabilities	352,18,93,338	264,19,36,808
9. Investments	Nil	Nil
10. Turnover	59,90,00,000	47,90,00,000
11. Profit / (Loss) before taxation	(5,51,63,700)	(1,20,78,961)
12. Provision for taxation	Nil	Nil
13. Profit / (Loss) after taxation	(5,51,63,700)	(1,20,78,961)
14. Proposed Dividend	Nil	Nil
15. % of shareholding	51%	51%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: Nil
- Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Hyderabad Expressways Limited	Cyberabad Expressways Limited	Western UP Tollway Limited
1. Latest audited Balance Sheet Date	31 March 2016	31 March 2016	31 March 2016
2. Shares of Associate/Joint Ventures held by the company on the year end	50%	50%	49%
No.	9,90,000	9,90,000	49,36,850
Amount of Investment in Associates/Joint Venture	Rs.99,00,000/-	Rs.99,00,000/-	Rs.46,06,09,996/-
Extent of Holding %	50%	50%	49%
3. Description of how there is significant influence	Voting Power above 20%	Voting Power above 20%	Voting Power above 20%
4. Reason why the associate/joint venture is not consolidated	N.A	N.A	N.A
6. Networth attributable to Shareholding as per latest audited Balance Sheet	(Rs.31679520/-)	(Rs.34,26,81,891/-)	Rs.30,36,49,318/-
7. Profit / (Loss) for the year	Rs.6,34,43,044/-	(Rs.13,16,49,737/-)	(Rs.30,46,51,667/-)
i. Considered in Consolidation	Rs.6,34,43,044/-	(Rs.13,16,49,737/-)	(Rs.30,46,51,667/-)
ii. Not Considered in Consolidation	-	-	-

1. Names of associates or joint ventures which are yet to commence operations: Nil
2. Names of associates or joint ventures which have been liquidated or sold during the year: Nil

For and on behalf of the Board

Place: Hyderabad

Date: 23rd May, 2016


T. ANIRUDH REDDY
Director
DIN: 06908378


J. BRIJI MOHAN REDDY
Director
DIN:00012927

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
7th Floor, Block III, White House
Kundan Bagh, Begumpet
Hyderabad 500016
India

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Independent Auditor's Report

To the Members of Gayatri Infra Ventures Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

2. 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 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; 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

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.



Walker Chandniok & Co LLP

4. 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.
5. We conducted our audit in accordance with the standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Basis for Qualified Opinion

8. As detailed in note 23 to the accompanying financial statements, current investments as at 31 March 2016 includes amounts aggregating to ₹460,609,996 invested in 4,936,850 equity shares of a jointly controlled entity for which the management has entered into a definitive agreement for divestment of its entire stake. As represented to us, the management is in the process of renegotiating the consideration for the sale of investments along with making arrangements for meeting the conditions stipulated therein. Pending final outcome of the said process, we are unable to comment upon the consequential effects, if any, of the said matter on the carrying value of investments and the accompanying financial statements.

Qualified Opinion

9. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143(3) of the Act, we report that:
 - a. except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, 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 standalone financial statements dealt with by this report are in agreement with the books of account;



Walker Chandiook & Co LLP

- d. except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, 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 (as amended);
- e. on the basis of the written representations received from the directors as on 31 March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
- f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph;
- g. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 23 May 2016 as per Annexure II expressed an unmodified opinion thereon; and
- h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its standalone financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013
per *Sanjay Kumar Jain*
Partner
Membership No.: 207660



Place : Hyderabad
Date : 23 May 2016

Walker Chandiook & Co LLP

Annexure I to the Independent Auditor's Report of even date to the members of Gayatri Infra Ventures Limited, on the standalone financial statements for the year ended 31 March 2016

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (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 during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not hold any immovable properties. Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) On the basis of information and explanations provided to us by the management, duly read with note 24 to the accompanying financial statements, the Company has not entered into any transaction falling within the ambit of Sections 185 and 186 of the Act and hence accordingly the provisions of Clause 3(iv) of the Order are not applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited to the appropriate authorities and there have been significant delays in a large number of cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as specified in table:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Due date	Date of payment
Income Tax Act, 1961	Tax deducted at source	28,816,049	Financial year 2014-15	Various dates	Not yet paid
Income Tax Act, 1961	Tax deducted at source	12,378,072	Financial year 2015-16	Various dates	Not yet paid
The Finance Act, 1994	Service tax	5,500,178	Financial year 2012-13	5 September 2012	Not yet paid



Walker ChandioK & Co LLP

Annexure I to the Independent Auditor's Report of even date to the members of Gayatri Infra Ventures Limited, on the standalone financial statements for the year ended 31 March 2016

- (b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Name of statute	Nature of dues	Amount (₹)	Amount paid under protest (₹)	Period to which it pertains	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	892,926	455,023	Financial year 2008-09	Commissioner of Income tax(appeals), Hyderabad

- (viii) There are no loans or borrowings payable to banks or government and no dues payable to debenture-holders. The Company has defaulted in repayment of borrowings to the following financial institution:

Name of the financial institution	Amount (₹)	Delay in days	Paid before balance sheet date (₹)	Over-due installment as on 31 March 2016 (₹)
IL & FS Financial Services Limited	11,907,558	26-338 days	8,605,202	3,302,356

- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) On the basis of information and explanation furnished to us by the management, no managerial remuneration has been paid during the year. Accordingly, the provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them.



Walker Chandiook & Co LLP

Annexure I to the Independent Auditor's Report of even date to the members of Gayatri Infra Ventures Limited, on the standalone financial statements for the year ended 31 March 2016

- (xvi) The Company's principal objectives are to provide infrastructural facilities either on its own or through incorporating and investing in special purpose vehicles. Consequently, the Company has significant investments in its subsidiaries, jointly controlled Companies and other entities. On the basis of assessment of the nature of business of the Company, duly supported by an independent opinion from an expert, the management is of the view that the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 is not applicable to the Company. Accordingly, the Company has not registered under the aforesaid provisions as at 31 March 2016.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner
Membership No.: 207660

Place : Hyderabad
Date : 23 May 2016

Walker ChandioK & Co LLP

Annexure II to the Independent Auditor's Report of even date to the members of Gayatri Infra Ventures Limited, on the standalone financial statements for the year ended 31 March 2016

Annexure II

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the standalone financial statements of Gayatri Infra Ventures Limited ("the Company") as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.



Walker Chandiook & Co LLP

Annexure II to the Independent Auditor's Report of even date to the members of Gayatri Infra Ventures Limited, on the standalone financial statements for the year ended 31 March 2016

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner
Membership No.: 207660



Place: Hyderabad
Date: 23 May 2016

Gayatri Infra Ventures Limited
Balance Sheet as at 31 March 2016
(All amounts in ₹ unless otherwise stated)

	Notes	As at	
		31 March 2016	31 March 2015
Equity and liabilities			
Shareholders' funds			
Share capital	3	1,77,08,330	1,77,08,330
Reserves and surplus	4	1,09,30,71,478	1,33,45,02,912
		<u>1,11,07,79,808</u>	<u>1,35,22,11,242</u>
Non current liabilities			
Long-term borrowings	5	1,50,00,00,000	-
Current liabilities			
Short-term borrowings	6	55,29,69,740	51,72,55,218
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	7	-	-
Total outstanding dues of creditor other than micro enterprises and small enterprises	7	16,35,364	16,07,084
Other current liabilities	8	17,79,28,750	1,50,93,89,676
		<u>73,25,33,854</u>	<u>2,02,82,51,978</u>
Total equity and liabilities		<u><u>3,34,33,13,662</u></u>	<u><u>3,38,04,63,220</u></u>
Assets			
Non-current assets			
Fixed assets			
- Tangible assets	9	4,395	46,683
Non-current investments	10	48,30,13,210	86,40,63,206
Long-term loans and advances	11	1,66,44,70,500	2,30,48,28,441
		<u>2,14,74,88,105</u>	<u>3,16,89,38,330</u>
Current assets			
Current investments	10	59,47,99,996	-
Trade receivables	12	28,26,100	28,26,100
Cash and cash equivalents	13	28,89,247	76,75,408
Short-term loans and advances	11	59,53,10,214	20,10,23,382
		<u>1,19,58,25,557</u>	<u>21,15,24,890</u>
Total assets		<u><u>3,34,33,13,662</u></u>	<u><u>3,38,04,63,220</u></u>

The accompanying notes 1 to 25 form an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

For Walker Chandiook & Co LLP
Chartered Accountants

per Sanjay Kumar Jain
Partner



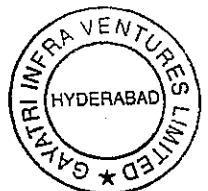
Place: Hyderabad
Date: 23 May 2016

For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T. Anirudh Reddy
Director

Place: Hyderabad
Date: 23 May 2016

J. Brij Mohan Reddy
Director



Gayatri Infra Ventures Limited
Statement of Profit and Loss for the year ended 31 March 2016
(All amounts in ₹ unless otherwise stated)

	Notes	For the year ended	
		31 March 2016	31 March 2015
I. Other income	14	2,22,78,891	2,31,85,346
Total revenue		2,22,78,891	2,31,85,346
II. Expenses			
- Employee benefits expense	15	15,54,000	19,29,000
- Finance costs	16	25,22,23,937	23,97,32,020
- Depreciation	9	42,288	5,96,444
- Other expenses	17	98,90,100	48,03,521
Total expenses		26,37,10,325	24,70,60,985
III. Loss before tax		(24,14,31,434)	(22,38,75,639)
IV. Tax expense			
- Current tax		-	-
V. Loss for the year		(24,14,31,434)	(22,38,75,639)
VI. Earnings / (loss) per equity share (EPES)			
- Basic and diluted		(136.34)	(126.42)
Weighted average number of equity shares considered for computation of EPES		17,70,833	17,70,833
Nominal value per equity share		10	10

The accompanying notes 1 to 25 form an integral part of these standalone financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

Walker Chandio & Co LLP
For Walker Chandio & Co LLP
Chartered Accountants

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner



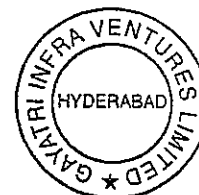
For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T. Anirudh Reddy
T. Anirudh Reddy
Director

J. Brij Mohan Reddy
J. Brij Mohan Reddy
Director

Place: Hyderabad
Date: 23 May 2016

Place: Hyderabad
Date: 23 May 2016



Gayatri Infra Ventures Limited
Cash Flow Statement for the year ended 31 March 2016
(All amounts in ₹ unless otherwise stated)

	For the year ended	
	31 March 2016	31 March 2015
Cash flow from operating activities		
Loss before tax	(24,14,31,434)	(22,38,75,639)
Adjustments for:		
Depreciation	42,288	5,96,444
Interest income	(2,18,20,891)	(2,20,84,300)
Provision for diminution in the value of investments	-	-
Interest expense	24,36,73,028	23,58,58,056
Operating loss before working capital changes	(1,95,37,009)	(95,05,439)
Changes in working capital:		
Increase in trade payables	28,280	83,020
Increase/(decrease) in other current liabilities	2,23,25,826	(1,23,23,926)
Decrease/(increase) in loans and advances	5,63,24,063	57,50,510
Cash generated in operating activities before income tax	7,86,78,169	(64,90,396)
Less: Income taxes paid	(21,82,063)	(21,87,852)
Net cash (used in)/generated from operating activities	A 5,69,59,097	(1,81,83,687)
Cash flow from investing activities		
Interest income received	-	21,87,852
Dividend income	-	2,05,783
Net cash generated from investing activities	B -	23,93,635
Cash flow from financing activities		
Interest charges paid	(24,74,59,780)	(22,65,85,806)
Proceeds from short-term borrowings, net	3,57,14,522	24,05,95,583
Repayment of long-term borrowings	(1,35,00,00,000)	-
Proceeds from long-term borrowings	1,50,00,00,000	-
Net cash generated from/(used in) financing activities	C (6,17,45,258)	1,40,09,777
Net increase/(decrease) in cash and cash equivalents	A+B+C (47,86,161)	75,95,429
Cash and cash equivalents at the beginning of the year	76,75,408	79,979
Cash and cash equivalents at the end of the year	28,89,247	76,75,408
Cash and cash equivalents comprises of:		
Cash on hand	5,553	268
Balances with banks in current accounts	28,83,694	76,75,140
	28,89,247	76,75,408

This is the Cash Flow Statement referred to in our report of even date.

Walker Chandio & Co LLP
For Walker Chandio & Co LLP
Chartered Accountants

per Sanjay Kumar Jain
Partner



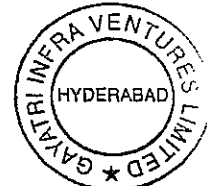
For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T. Anirudh Reddy
Director

J. Brij Mohan Reddy
Director

Place: Hyderabad
Date: 23 May 2016

Place: Hyderabad
Date: 23 May 2016



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

1. Company overview

Gayatri Infra Ventures Limited ("the Company") was incorporated during the year 2008 in accordance with the provisions of the erstwhile Companies Act, 1956. The Company, on its own and through its subsidiaries and jointly controlled entities, is in the business of construction, operations and maintenance of carriageways on toll and annuity basis pursuant to the development agreements with the National and State Governments and does investments in companies engaged in the construction, operations and maintenance of roads, highways, vehicle bridges and tunnels and toll roads.

2. Summary of significant accounting policies

(a) Basis of preparation of standalone financial statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("Indian GAAP") and in compliance with the mandatory accounting standards ("AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). Unless otherwise stated, the accounting policies applied by the Company are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of work and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

(b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the standalone financial statements and reported amounts of income and expenses during the year. Examples of such estimates include useful lives of fixed assets, diminution other than temporary in the carrying value of long-term investments and deferred taxes. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

(c) Cash and cash equivalents

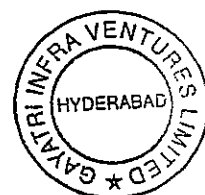
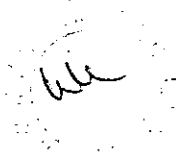
Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest income

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



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

2. Summary of significant accounting policies (continued)

(e) Taxes on income

Current tax

Current 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 tax

Deferred tax charges or credits reflect the tax effect of timing differences between accounting income and taxable income for the period. The deferred tax charges or credits and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future periods; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

(f) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments. Current investments are carried at lower of cost and fair value determined on individual investment basis.

(g) Borrowing costs

Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalised as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

(h) Segment reporting

Segments are identified in line with AS-17 "Segment Reporting", taking into considerations the internal organization and management structure as well as the different risk and returns of the segment.

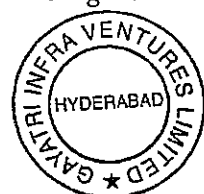
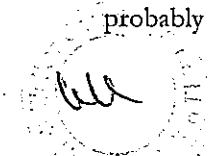
(i) Earnings / (loss) per equity share

Basic earnings per equity share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

(j) Provisions and contingent liabilities

Provision is recognized when the Company has a present obligation as a result of a past event and when 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 their present value and are determined based on management's 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 management estimates. A disclosure of a contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

3. Share capital

	As at			
	31 March 2016		31 March 2015	
	Number	Amount	Number	Amount
Authorized				
Equity shares of ₹10 each	20,00,000	2,00,00,000	20,00,000	2,00,00,000
	<u>20,00,000</u>	<u>2,00,00,000</u>	<u>20,00,000</u>	<u>2,00,00,000</u>
Issued, subscribed and paid-up				
Equity shares of ₹10 each fully paid up	17,70,833	1,77,08,330	17,70,833	1,77,08,330
	<u>17,70,833</u>	<u>1,77,08,330</u>	<u>17,70,833</u>	<u>1,77,08,330</u>

(a) Reconciliation of the number of equity shares outstanding at the beginning and end of the year

	As at			
	31 March 2016		31 March 2015	
	Number	Amount	Number	Amount
At the beginning and at the end of year	17,70,833	1,77,08,330	17,70,833	1,77,08,330

(b) Terms, rights and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of equity shares held by holding company

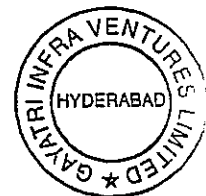
	As at			
	31 March 2016		31 March 2015	
	Number	Amount	Number	Amount
Gayatri Projects Limited	12,47,000	1,24,70,000	12,47,000	1,24,70,000

(d) Details of shareholders holding more than 5% shares in the company :

	As at			
	31 March 2016		31 March 2015	
	Number	Amount	Number	Amount
Gayatri Projects Limited	12,47,000	70.42%	12,47,000	70.42%
AMP Capital Finance Mauritius Limited	5,20,833	29.41%	5,20,833	29.41%



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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

4. Reserve and surplus

	As at	
	31 March 2016	31 March 2015
Securities premium account		
Balance at the beginning and end of the year	2,19,96,19,577	2,19,96,19,577
Deficit in the Statement of Profit and Loss		
Balance at the beginning of the year	(86,51,16,665)	(64,10,91,113)
Add: Adjustments*	-	(1,49,913)
Add: Loss for the year	(24,14,31,434)	(22,38,75,639)
Balance at the end of the year	<u>(1,10,65,48,099)</u>	<u>(86,51,16,665)</u>
	<u>1,09,30,71,478</u>	<u>1,33,45,02,912</u>

* Represents adjustment on account of change in estimated useful life of tangible assets in accordance with the provisions of Schedule II to the Companies Act, 2013.

5. Long-term borrowings

	As at	
	31 March 2016	31 March 2015
Term loans		
Unsecured		
From others	-	1,35,00,00,000
From related party	1,50,00,00,000	-
	<u>1,50,00,00,000</u>	<u>1,35,00,00,000</u>
Less: Current maturities of long-term borrowings(refer note 8)	-	1,35,00,00,000
	<u>1,50,00,00,000</u>	<u>-</u>

a) Details of the borrowings

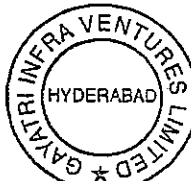
- (i) Term loans from related party aggregating to ₹1,500,000,000 (31 March 2015: Nil) is secured by way of
 (a) pledge of 1,200,000 Equity shares held by the holding company, M/s Gayatri Projects Ltd,
 (b) corporate guarantee of Gayatri Projects Limited.
- (ii) Term loans from others aggregating to Nil (31 March 2015: ₹1,350,000,000) was secured by way of
 (a) pledge of 1,200,000 Equity shares held by the holding company, M/s Gayatri Projects Ltd,
 (b) corporate guarantee of Gayatri Projects Limited.
- (iii) The above facilities carry an annual interest rate of 16% (31 March 2015: 16%).

b) Terms of repayment

	As at	
	31 March 2016	31 March 2015
Up to 1 year	-	1,35,00,00,000
2 to 5 years	1,50,00,00,000	-
Above 5 years	-	-
	<u>1,50,00,00,000</u>	<u>1,35,00,00,000</u>

c) Details of overdue amounts of interest

	As at	
	31 March 2016	31 March 2015
0-30 days	-	13,53,190
30-90 days	22,48,135	5,19,40,116
90-180 days	4,99,73,567	34,04,779
above 180 days	31,63,388	77,93,695
	<u>5,53,85,090</u>	<u>6,44,91,779</u>



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

6. Short-term borrowings

	As at	
	31 March 2016	31 March 2015
(Unsecured loans)		
From related party *	55,29,69,740	51,72,55,218
	<u>55,29,69,740</u>	<u>51,72,55,218</u>

* Represents unsecured, interest free loans from the related party repayable on demand.

7. Trade payables

	As at	
	31 March 2016	31 March 2015
Dues to others	1,11,300	83,020
Dues to related party*	15,24,064	15,24,064
	<u>16,35,364</u>	<u>16,07,084</u>

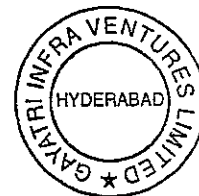
* Represents interest free retention money payable to related party.

Based on information available with the Company, as at 31 March 2016 (31 March 2015: Nil), there are no suppliers who are registered as micro and small enterprises under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006.

8. Other current liabilities

	As at	
	31 March 2016	31 March 2015
Current maturities of long-term borrowings (refer note 5)	-	1,35,00,00,000
Interest accrued and due on borrowings	5,53,85,090	6,44,91,779
Interest accrued but not due on borrowings	5,46,31,539	4,93,11,602
Statutory liabilities	6,63,26,332	4,06,12,181
Other liabilities	15,85,789	49,74,114
	<u>17,79,28,750</u>	<u>1,50,93,89,676</u>

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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

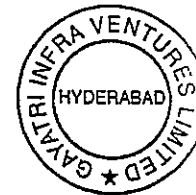
(All amounts in ₹ unless otherwise stated)

9. Tangible assets

Particulars	Office equipment	Computers	Total
Gross block			
As at 1 April 2014	1,61,999	12,86,659	14,48,658
Additions	-	-	-
Adjustments	-	3,45,120	3,45,120
As at 1 April 2015	1,61,999	9,41,539	11,03,538
Additions	-	-	-
As at 31 March 2016	1,61,999	9,41,539	11,03,538
Accumulated depreciation			
Up to 1 April 2014	54,504	6,01,114	6,55,618
Charge for the year	61,605	5,34,839	5,96,444
Adjustments	-	1,95,207	1,95,207
Up to 31 March 2015	1,16,109	9,40,746	10,56,855
Charge for the year	41,495	793	42,288
Up to 31 March 2016	1,57,604	9,41,539	10,99,143
Net block			
As at 31 March 2016	4,395	-	4,395
As at 31 March 2015	45,890	793	46,683



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Gayatri Infra Ventures Limited

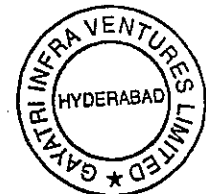
Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

10. Investments

	%	As at			
		31 March 2016		31 March 2015	
		holding	Number	Amount	Number
a) Non-current investments					
Unquoted trade investments in equity instruments of ₹ 10 each fully paid:					
- in subsidiaries					
Gayatri Jhansi Roadways Limited*	51.00%	2,16,19,994	21,61,99,940	2,16,19,994	21,61,99,940
Gayatri Lalitpur Roadways Limited*	51.00%	1,62,18,000	16,21,80,000	1,62,18,000	16,21,80,000
		<u>3,78,37,994</u>	<u>37,83,79,940</u>	<u>3,78,37,994</u>	<u>37,83,79,940</u>
- in joint ventures					
Hyderabad Expressways Limited	50.00%	9,90,000	99,00,000	9,90,000	99,00,000
Cyberabad Expressways Limited	50.00%	9,90,000	99,00,000	9,90,000	99,00,000
Western UP Tollway Limited*	49.00%	49,36,850	46,06,09,996	49,36,850	46,06,09,996
		<u>69,16,850</u>	<u>48,04,09,996</u>	<u>69,16,850</u>	<u>48,04,09,996</u>
-others					
Indore Dewas Tollways Limited	33.36%	16,680	1,66,800	16,680	1,66,800
HKR Roadways Limited	11.00%	5,10,647	51,06,470	5,10,647	51,06,470
		<u>5,27,327</u>	<u>52,73,270</u>	<u>5,27,327</u>	<u>52,73,270</u>
Investments in debentures of ₹ 10 each fully paid:					
- in joint ventures					
Cyberabad Expressways Limited	50.00%	2,13,75,000	21,37,50,000	-	-
		<u>2,13,75,000</u>	<u>21,37,50,000</u>	<u>-</u>	<u>-</u>
Aggregate amount of unquoted investments, at cost			<u>1,07,78,13,206</u>		<u>86,40,63,206</u>
Less: Investments held for sale (refer note 23)			<u>59,47,99,996</u>		<u>-</u>
Net vale of investments			<u>48,30,13,210</u>		<u>86,40,63,206</u>

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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

10. Investments (continued)

	% holding	As at			
		31 March 2016		31 March 2015	
		Number	Amount	Number	Amount
b) Current investments					
Unquoted trade investments in equity instruments of ₹ 10 each fully paid:					
- in joint ventures					
Cyberabad Expressways Limited	30.00%	5,94,000	59,40,000	-	-
Western UP Tollway Limited*	49.00%	49,36,850	46,06,09,996	-	-
		<u>55,30,850</u>	<u>46,65,49,996</u>	-	-
Investments in debentures of ₹ 10 each fully paid:					
- in joint ventures					
Cyberabad Expressways Limited	30.00%	1,28,25,000	12,82,50,000	-	-
		<u>1,28,25,000</u>	<u>12,82,50,000</u>	-	-
Net value of investments			<u>59,47,99,996</u>		<u>-</u>

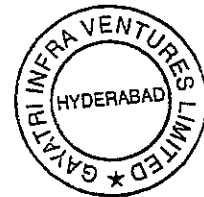
*Equity shares to the tune of 16,267,900 (31 March 2015: 16,267,900) of Gayatri Jhansi Roadways Limited, equity shares to the tune of 12,199,900 (31 March 2015: 12,199,900) of Gayatri Lalitpur Roadways Limited and equity shares to the tune of 4,936,850 (31 March 2015: 4,936,850) of Western UP Tollway Limited have been pledged in favour of Infrastructure Development Finance Company Limited for the term loan availed by the respective companies. Further, equity shares to the tune of 7,980 (31 March 2015: Nil) of HIKR Roadways Limited have been pledged in favour of IL & IS Trust Company Limited for the term loan availed by the company.

(i) The legal ownership of following shares vests with the holding company, M/s Gayatri Projects Limited, in accordance with the contractual provisions of the agreement. Necessary regulatory filings have however been made to reflect the Company as the beneficiary.

Name of the Company	Number of equity shares	
	31 March 2016	31 March 2015
Gayatri Jhansi Roadways Limited	100	100
Gayatri Lalitpur Roadways Limited	100	100
Hyderabad Expressways Limited	2,62,548	2,62,548
Cyberabad Expressways Limited	2,62,548	2,62,548
	<u>5,25,296</u>	<u>5,25,296</u>



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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

11. Loans and advances

	As at	
	31 March 2016	31 March 2015
(Unsecured, considered good)		
a) Long-term		
Advances to related parties		
- to subsidiaries	28,56,20,060	33,56,20,060
- to joint ventures	33,11,00,000	92,36,40,004
- to fellow subsidiaries	36,30,00,000	36,30,00,000
- to others	67,91,37,309	67,91,37,309
Advance tax	56,13,131	34,31,068
	<u>1,66,44,70,500</u>	<u>2,30,48,28,441</u>
b) Short-term		
Loans to related parties		
- to joint ventures	59,47,41,050	20,06,54,218
- to fellow subsidiaries	5,69,164	3,69,164
	<u>59,53,10,214</u>	<u>20,10,23,382</u>

12. Trade receivables

	As at	
	31 March 2016	31 March 2015
(Unsecured, considered good)		
Due for a period exceeding six months		
- Receivable from holding company	28,26,100	28,26,100
	<u>28,26,100</u>	<u>28,26,100</u>

13. Cash and cash equivalents

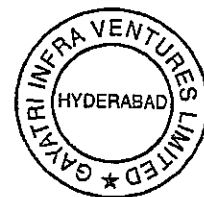
	As at	
	31 March 2016	31 March 2015
Balances with banks in current accounts	28,83,694	76,75,140
Cash on hand	5,553	268
	<u>28,89,247</u>	<u>76,75,408</u>

14. Other income

	For the year ended	
	31 March 2016	31 March 2015
Interest income from jointly controlled entities	2,18,20,891	2,18,78,517
Interest on Income tax refund	-	6,51,606
Other income	4,58,000	6,55,223
	<u>2,22,78,891</u>	<u>2,31,85,346</u>



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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

15. Employee benefits expense

	For the year ended	
	31 March 2016	31 March 2015
Salaries and wages	15,54,000	19,29,000
	<u>15,54,000</u>	<u>19,29,000</u>

16. Finance costs

	For the year ended	
	31 March 2016	31 March 2015
Interest expense	24,36,73,028	23,58,58,056
Other borrowing costs	85,50,909	38,73,964
	<u>25,22,23,937</u>	<u>23,97,32,020</u>

17. Other expenses

	For the year ended	
	31 March 2016	31 March 2015
Rates and taxes	73,15,273	33,97,266
Repairs and maintenance - others	25,044	16,696
Legal and professional charges	10,86,860	23,500
Payments to the auditor		
- audit fees	13,16,750	12,92,140
Travelling and conveyance	44,580	9,960
Director's sitting fees	55,000	15,000
Miscellaneous expenses	46,593	48,959
	<u>98,90,100</u>	<u>48,03,521</u>

18. Contingent liabilities and commitments:

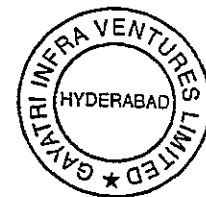
	As at	
	31 March 2016	31 March 2015
<i>Contingent liability</i>		
Disputed income tax dues	8,92,926	8,92,926
Corporate guarantee given to Indore Dewas Tollway Limited	6,26,13,00,000	-

Commitments

Investing commitment towards projects developed by other entities (refer note 24)

Not ascertainable

Not ascertainable



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

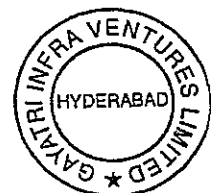
19. Related party transactions

a) Names of the related parties and description of relationship

Name of the related party	Nature of relationship
Gayatri Projects Limited	Holding Company
Gayatri Jhansi Roadways Limited	Subsidiary Companies
Gayatri Lalitpur Roadways Limited	
Bhandara Thermal Power Corporation Limited	Fellow Subsidiary
Indore Dewas Tollways Limited	
Hyderabad Expressways Limited	Jointly Controlled Entities
Cyberabad Expressways Limited	
Western UP Tollway Limited	
Deep Corporation Private Limited	Enterprises in which KMP and/or their relatives have significant influence
HKR Roadways Limited	
Balaji Highways Holding Private Limited	

b) Transactions with related parties

	For the year ended	
	31 March 2016	31 March 2015
Transactions with Gayatri Projects Limited		
Payments made on behalf of the company	5,58,14,522	20,30,00,000
Amounts received by the company	-	3,75,95,583
Transactions with Gayatri Jhansi Roadways Limited		
Payments made	2,00,000	-
Transactions with Gayatri Lalitpur Roadways Limited		
Payments made	2,00,000	-
Transactions with Hyderabad Expressways Limited		
Reimbursement of expenses	-	2,24,720
Payments made	3,00,000	-
Transactions with Cyberabad Expressways Limited		
Interest on advances	2,18,20,628	2,18,78,517
Reimbursement of expenses	-	2,24,720
Payments made	3,00,000	-
Transactions with HKR Roadways Limited		
Salaries paid on behalf of the company	-	2,09,600
Allotment of shares against advances made	-	49,50,000
Payments made	2,00,000	-
Transactions with Balaji Highways Holding Private Limited		
Payments made	2,00,000	50,000
Transactions with Bhandara Thermal Power Corporation		
Loans taken	1,50,00,00,000	-
Interest on loans taken	17,62,00,349	-
Transactions with Indore Dewas Tollways Limited		
Corporate gurantee given to the lenders	6,26,13,00,000	-



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

c) Balances receivable / (payable)

	As at	
	31 March 2016	31 March 2015
Gayatri Projects Limited	(55,16,67,704)	(51,59,53,182)
Gayatri Jhansi Roadways Limited	19,18,00,060	19,18,00,060
Gayatri Lalitpur Roadways Limited	9,38,20,000	14,38,20,000
Indore Dewas Tollways Limited	36,30,00,000	36,30,00,000
Hyderabad Expressways Limited	33,15,49,440	33,15,49,440
Cyberabad Expressways Limited	42,87,93,343	41,39,54,778
Western UP Tollway Limited	37,87,90,004	37,87,90,004
HKR Roadways Limited	67,89,27,709	67,89,27,709
Bhandara Thermal Corporation Limited	(1,60,67,14,271)	-
Balaji Highways Holding Private Limited	5,69,164	3,69,164

20. Deferred tax

In the absence of virtual certainty of future taxable profits supported by convincing evidence, the Company has not created deferred tax assets on unabsorbed business losses and other timing differences. The Company would be able to use unabsorbed tax depreciation and business losses to set off against future taxable income for a specified period.

21. Segment reporting

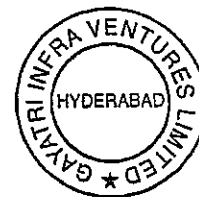
Based on the Company's business model and considering the internal financial reporting to the management, the investment in subsidiaries and joint ventures which are engaged in the business of construction in the transport infrastructure and hence has been considered as the only reportable segment. Further all the services are rendered only in India. Hence there are no additional disclosures required to be provided in terms of Accounting Standard 17 on "Segment Reporting".

22. Investments in joint ventures

The Company's interest, as a venturer, in jointly controlled entities (incorporated Joint Ventures) is:

Name of joint venture	Country of incorporation	Percentage of ownership interests as at	
		31 March 2016	31 March 2015
Hyderabad Expressways Limited	India	50%	50%
Cyberabad Expressways Limited	India	50%	50%
Western UP Tollway Limited	India	49%	49%

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Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

22. Investments in joint ventures(continued)

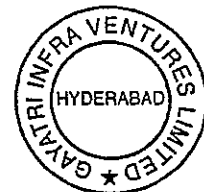
The Company's interest in these Joint Ventures is reported as Non-current investments (note 10) and stated at cost. However, the Company's share of each of the assets, liabilities, income and expenses, etc. (each without elimination of the effect of transactions between the Company and the Joint Venture) related to its interests in these Joint Ventures are give below:

a. In Cyberabad Expressways Limited

	As at	
	31 March 2016	31 March 2015
Assets		
Non-current assets	1,49,98,70,537	1,68,99,49,168
Current assets	34,23,92,846	18,80,96,126
	1,84,22,63,383	1,87,80,45,294
Liabilities		
Non-current liabilities	1,18,77,84,772	1,36,04,03,813
Current liabilities	99,71,60,472	6,05,52,867
	2,18,49,45,244	1,42,09,56,680
	For the year ended	
	31 March 2016	31 March 2015
Income	39,82,67,143	39,66,37,900
Expenses	46,40,92,012	48,67,46,639
Loss for the year	(6,57,10,369)	(9,01,08,738)

b. In Hyderabad Expressways Limited

	As at	
	31 March 2016	31 March 2015
Assets		
Non-current assets	90,30,03,787	1,03,79,68,497
Current assets	51,74,36,624	36,24,16,846
	1,42,04,40,411	1,40,03,85,343
Liabilities		
Non-current liabilities	1,14,72,17,149	1,17,00,16,660
Current liabilities	30,49,02,782	10,37,13,230
	1,45,21,19,931	1,27,37,29,890
	For the year ended	
	31 March 2016	31 March 2015
Income	32,88,70,774	32,29,65,573
Expenses	29,71,52,087	31,87,79,977
Tax expense	65,97,166	-
Loss for the year	2,51,21,522	41,85,596



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

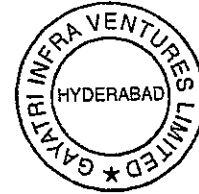
(All amounts in ₹ unless otherwise stated)

22. Investments in joint ventures(continued)

c. In Western UP Tollway Limited

	As at	
	31 March 2016	31 March 2015
Assets		
Non-current assets	2,86,67,02,180	1,03,79,68,497
Current assets	10,08,36,041	36,24,16,846
	2,96,75,38,221	1,40,03,85,343
Liabilities		
Non-current liabilities	2,29,28,74,845	1,17,00,16,660
Current liabilities	37,10,14,059	10,37,13,230
	2,66,38,88,903	1,27,37,29,890
		For the year ended
	31 March 2016	31 March 2015
Income	51,42,32,160	32,29,65,573
Expenses	66,35,11,477	31,87,79,977
Loss for the year	(14,92,79,317)	41,85,596

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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

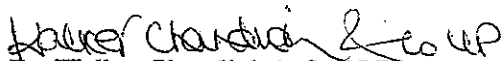
23. Investments held-for-sale

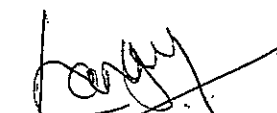
- a. The management has entered into a definitive sale agreement dated 19 January 2016 with Cube Highways and Infrastructure PTE Limited for divestment of its entire shareholding in Western UP Tollway Limited. The conclusion of the sale is subject to compliances with certain mandatory conditions stipulated in the agreement and finalisation of the sale consideration with the buyer. Pending completion of the said activities as at 31 March 2016, the accompanying financial statements as at and for the year ended 31 March 2016 has not been adjusted for effects of the same.
- b. Pursuant to an agreement between Gayatri Projects Limited, Gayatri Infra Ventures Limited and AMP Capital Mauritius Limited, the Company has agreed to sell 594,000 equity shares and 12,825,000 debentures held in Cyberabad Expressways Limited to AMP Capital Mauritius Limited at an agreed consideration of ₹134,190,000. Accordingly, the aforesaid investments have been presented as current investments as at 31 March 2016.
24. During the year ended 31 March 2016, the Company has extended certain corporate guarantees to the lenders of the group entities in accordance with the contractual terms entered into with them. The management, on the basis of assessment of the nature of business activities carried on, is of the view that the provisions of Section 186 of the Act is not applicable to the Company as it does get classified as a Company carrying on "Infrastructural Projects" as defined in Schedule VI to the Act.

25. Comparatives

The standalone financial statements for the previous period have been regrouped / rearranged to conform to the current year presentation wherever required.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.


For Walker Chandiook & Co LLP
Chartered Accountants

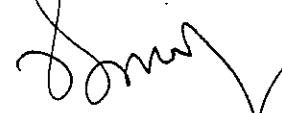

per Sanjay Kumar Jain
Partner

Place: Hyderabad
Date: 23 May 2016

For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited


T. Anirudh Reddy
Director

Place: Hyderabad
Date: 23 May 2016


J. Brij Mohan Reddy
Director



Walker Chandiook & Co LLP

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Independent Auditor's Report

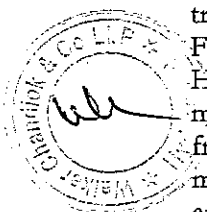
To the Members of Gayatri Infra Ventures Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Gayatri Infra Ventures Limited, ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its jointly controlled entities, which comprise the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and its jointly controlled entities, 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 (as amended). The Holding Company's Board of Directors, and the respective Board of Directors of the subsidiaries included in the Group, and of its jointly controlled entities are responsible for the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Further, in terms with the provisions of the Act, the respective Board of Directors of the Holding Company and its subsidiary and jointly controlled companies, are responsible for maintenance of adequate accounting records; safeguarding the assets; 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



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

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and presentation of the financial statements, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. While conducting the 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 auditor's report under the provisions of the Act and the Rules made thereunder.
5. 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 consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

8. As stated in note 31, to the accompanying financial statements, Investments as at 31 March 2016 includes amounts aggregating to ₹460,609,996 invested in 4,936,850 equity shares of a jointly controlled entity for which the management has entered into a definitive agreement for divestment of its entire equity shares. As represented to us, the management is in the process of renegotiating the consideration for the sale of investments along with making arrangements for meeting the conditions stipulated. Pending final outcome of the said process, we are unable to comment upon the consequential effects, if any, of the said matter on the the accompanying financial Statements.

Qualified Opinion

9. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and jointly controlled entities as noted below, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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 consolidated state of affairs of the Group and jointly controlled entities as at 31 March 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.



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Other Matters

10. We did not audit the financial statements of two subsidiaries and three jointly controlled entities, included in the consolidated financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹11,770,307,305 as at 31 March 2016, total revenues (after eliminating intra-group transactions) of ₹1,777,900,000 and net cash flows amounting to ₹491,229,959 for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the financial statements

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, and based on the auditor's reports of the subsidiaries and jointly controlled entities, we report, to the extent applicable, that:
- except for the effects of the matter described in the Basis for Qualified Opinion paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - except for the effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - the consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014(as amended);
 - On the basis of the written representations received from the directors of the Holding Company as on 31st March 2016, duly taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies and jointly controlled companies, none of the directors of the Group companies and jointly controlled companies, incorporated in India is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph; and



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- g) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company, its subsidiary companies and jointly controlled companies as of 31 March 2016, in conjunction with our audit of the consolidated financial statements of the group, and its jointly controlled entities for the year ended on that date and our report dated 23 May 2016 as per Annexure I expressed unmodified opinion thereon;
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) As detailed in note 26, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and jointly controlled entities;
 - (ii) except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the Group and jointly controlled entities did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and joint controlled companies incorporated in India.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner
Membership No.: 207660



Place: Hyderabad

Date: 23 May 2016

Walker Chandniok & Co LLP

Annexure I to the Independent Auditor's Report of even date to the members of Gayatri Infra Ventures Limited, on the consolidated financial statements for the year ended 31 March 2016

Annexure I

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the consolidated financial statements of the Gayatri Infra Ventures Limited ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), and jointly controlled entities as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiary companies and jointly controlled companies as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the company's policies, the safeguarding of the Company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its subsidiary companies and jointly controlled companies as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its subsidiary companies and jointly controlled companies as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures



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Annexure I to the Independent Auditor's Report of even date to the members of Gayatri Infra Ventures Limited, on the consolidated financial statements for the year ended 31 March 2016

that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

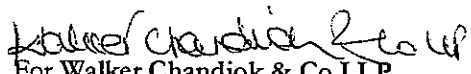
7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

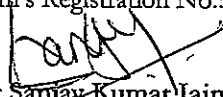
Opinion

8. In our opinion, the Holding Company, its subsidiary companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India

Other Matters

9. We did not audit the IFCoFR insofar as it relates to two subsidiary companies and three jointly controlled entities which are companies incorporated in India, whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹11,770,307,305 as at 31 March 2016, total revenues (after eliminating intra-group transactions) of ₹1,777,900,000 and net cash flows amounting to ₹491,229,959 for the year ended on that date. Our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its subsidiary companies and jointly controlled companies, which are companies incorporated in India, under Section 143(3)(4) of the Act insofar as it relates to the aforesaid subsidiaries and jointly controlled companies, which are companies incorporated in India, is solely based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.


For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013


per Sanjay Kumar Jain
Partner
Membership No.: 207660



Place: Hyderabad
Date: 23 May 2016

Gayatri Infra Ventures Limited
Consolidated Balance Sheet as at 31 March 2016
(All amount in ₹ unless otherwise stated)

	Notes	As at	
		31 March 2016	31 March 2015
Equity and liabilities			
Shareholders' funds			
Share capital	6	1,77,08,330	1,77,08,330
Reserves and surplus	7	3,68,78,030	50,30,55,727
		<u>5,45,86,360</u>	<u>52,07,64,057</u>
Minority interest		11,77,12,400	15,01,91,726
Non-current liabilities			
Long-term borrowings	8	7,62,77,47,040	8,85,77,60,147
Other long-term liabilities	9	-	5,72,78,066
Long-term provisions	10	77,98,24,863	73,53,03,746
		<u>8,40,75,71,903</u>	<u>9,65,03,41,959</u>
Current liabilities			
Short-term borrowings	11	67,79,06,830	62,16,62,434
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	12	-	-
Total outstanding dues of creditor other than micro enterprises and small enterprises	12	8,12,79,185	6,35,34,203
Other current liabilities	13	3,51,28,96,586	2,53,55,14,532
Short-term provisions	10	12,98,45,444	13,87,25,658
		<u>4,40,19,28,045</u>	<u>3,35,94,36,827</u>
		<u><u>12,98,17,98,708</u></u>	<u><u>13,68,07,34,569</u></u>
Assets			
Non-current assets			
Fixed assets			
- Tangible assets	14	8,91,461	25,54,999
- Intangible assets	15	7,40,72,08,585	10,40,51,51,249
- Intangible assets under development		19,11,305	5,36,51,907
Non-current investments	16	52,73,270	52,73,270
Long-term loans and advances	17	1,15,01,42,151	1,20,80,02,869
		<u>8,56,54,26,772</u>	<u>11,67,46,34,294</u>
Current assets			
Trade receivables	18	39,94,65,928	57,48,42,456
Cash and cash equivalents	19	98,37,46,966	49,73,03,168
Short-term loans and advances	17	11,05,78,045	68,29,42,316
Other current assets	20	2,92,25,80,997	25,10,12,335
		<u>4,41,63,71,936</u>	<u>2,00,61,00,275</u>
		<u><u>12,98,17,98,708</u></u>	<u><u>13,68,07,34,569</u></u>

The accompanying notes 1 to 32 form an integral part of these consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

Walker Chandok & Co LLP
For Walker Chandok & Co LLP

Chartered Accountants

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner



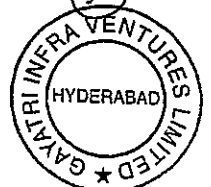
Place: Hyderabad
Date: 23 May 2016

For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T. Anirudh Reddy
T. Anirudh Reddy
Director

J. Brij Mohan Reddy
J. Brij Mohan Reddy
Director

Place: Hyderabad
Date: 23 May 2016



Gayatri Infra Ventures Limited

Consolidated Statement of Profit and Loss for the year ended 31 March 2016

(All amount in ₹ unless otherwise stated)

	Notes	For the year ended	
		31 March 2016	31 March 2015
I. Revenue from operations	21	2,28,95,22,503	2,30,64,93,625
II. Other income	22	4,21,37,150	3,09,31,555
III. Total revenue		2,33,16,59,653	2,33,74,25,180
IV. Expenses			
- Employee benefits expense	23	3,27,63,620	2,93,34,709
- Finance costs	24	1,31,73,86,207	1,40,28,53,524
- Depreciation and amortisation expense	14 and 15	1,03,41,66,446	91,50,97,433
- Other expenses	25	43,94,03,238	43,59,61,636
- Prior period items, net		-	(25,41,326)
Total expenses		2,82,37,19,511	2,78,07,05,976
V. Loss before tax		(49,20,59,858)	(44,32,80,796)
Loss from continuing operations before tax		(34,27,80,541)	(38,77,54,862)
Tax expense of continuing operations		65,97,165	5,07,417
Loss from continuing operations after tax		(34,93,77,706)	(38,82,62,279)
Loss from discontinuing operations before tax		(14,92,79,317)	(5,55,25,934)
Tax expense of discontinuing operations		-	-
Loss from discontinuing operations after tax		(14,92,79,317)	(5,55,25,934)
VI. Loss for the year		(49,86,57,023)	(44,37,88,213)
Share of loss to attributable to minority interest		(3,24,79,326)	(3,94,43,728)
Share of loss attributable to owners of the parent		(46,61,77,697)	(40,43,44,485)
VII. Earnings/(loss) per equity share (EPES)			
-Basic and diluted		(263.25)	(228.34)
Weighted average number of equity shares considered in computation of basic and diluted EPES		17,70,833	17,70,833
Nominal value per equity share		10	10

The accompanying notes 1 to 32 form an integral part of these consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

Walker Chandniok & Co LLP
For Walker Chandniok & Co LLP

Chartered Accountants

per Sanjay Kumar Jain
Partner



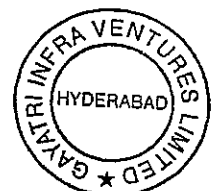
For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T. Anirudh Reddy
Director

J. Brij Mohan Reddy
Director

Place: Hyderabad
Date: 23 May 2016

Place: Hyderabad
Date: 23 May 2016



Gayatri Infra Ventures Limited
 Consolidated Cash Flow Statement for the year ended 31 March 2016
 (All amount in ₹ unless otherwise stated)

	For the year ended	
	31 March 2016	31 March 2015
Cash flow from operating activities		
Loss before tax	(49,20,59,858)	(44,32,80,796)
Adjustments for:		
Depreciation and amortisation expense	1,03,41,66,446	91,50,97,433
Interest income	(26,09,657)	(9,15,649)
Income from mutual funds	(3,12,27,809)	(2,79,96,712)
Interest on borrowings	1,31,73,86,207	1,39,16,78,794
Profit on sale of fixed assets	-	(42,301)
Operating profit before working capital changes	1,82,56,55,329	1,83,45,40,769
Changes in working capital:		
Increase in trade payables	2,17,94,428	78,71,719
Increase/(decrease) in other liabilities	7,25,50,099	(2,01,59,366)
Increase in provisions	18,42,03,868	18,92,65,505
Decrease in trade receivables	17,53,76,528	2,36,10,632
Decrease in loans and advances	54,96,24,620	7,08,82,047
Increase in other current assets	(5,55,87,850)	(2,92,37,758)
Cash from operating activities before income tax	2,77,36,17,021	2,07,67,73,548
Income taxes refund received/(paid)	7,04,06,024	(2,40,66,517)
Net cash generated from operating activities	A 2,84,40,23,045	2,05,27,07,031
Cash flow from investing activities		
Interest received	26,09,657	9,15,649
Income from mutual funds	3,12,27,809	2,79,96,712
Purchase of fixed assets	(52,919)	(90,453)
Sale of fixed assets	-	1,67,501
Disposal of interest in jointly controlled entity	(1,34,13,017)	-
Expenditure on intangible assets	(58,17,37,341)	(19,50,67,086)
Investment in/proceeds from in mutual funds (net)	-	1,33,01,813
Net cash used in investing activities	B (56,13,65,810)	(15,27,75,864)
Cash flow from financing activities		
Interest paid	(1,23,75,63,133)	(1,38,76,59,110)
Repayment of long-term borrowings	(61,48,94,700)	(55,57,73,890)
Proceeds from short-term borrowings, net	5,62,44,396	26,68,80,573
Net cash used in financing activities	C (1,79,62,13,437)	(1,67,65,52,427)
Net increase in cash and cash equivalents	A+B+C 48,64,43,798	22,33,78,740
Cash and cash equivalents at the beginning of the year	49,73,03,168	27,39,24,428
Cash and cash equivalents at the end of the year	98,37,46,966	49,73,03,168
Cash and cash equivalents comprises of:		
Cash on hand	54,473	9,50,358
Balances with banks	98,36,92,493	49,63,52,810
	98,37,46,966	49,73,03,168

This is the Consolidated Cash flow Statement referred to in our report of even date.

Walker Chandni Res UP
 For Walker Chandniok & Co LLP

Chartered Accountants

per Sanjay Kumar Jain
 Partner



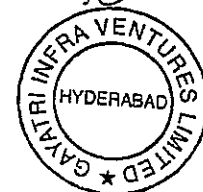
Place: Hyderabad
 Date: 23 May 2016

For and on behalf of the Board of Directors of
 Gayatri Infra Ventures Limited

T. Anirudh Reddy
 Director

Place: Hyderabad
 Date: 23 May 2016

J. Brij Mohan Reddy
 Director



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

1. Group Overview

Gayatri Infra Ventures Limited (“the Company”) was incorporated on 22 January 2008 under the provisions of the Companies Act, 1956. The Company, on its own and through its subsidiaries (collectively referred to as the ‘Group’) and its jointly controlled entities, is in the business of construction, operations and maintenance of carriageways on toll and annuity basis pursuant to the development agreements with the National and State Governments and does investments in companies engaged in the construction, operations and maintenance of roads, highways, vehicle bridges and tunnels and toll roads.

2. Basis of preparation of financial statements

The consolidated financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India (“Indian GAAP”) and in compliance with the mandatory accounting standards (“AS”) as prescribed under Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). Unless otherwise stated, the accounting policies applied by the Group and its jointly controlled entities are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of work and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the group and its jointly controlled entities has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

3. Basis of consolidation

The consolidated financial statements relate to Gayatri Infra Ventures Limited (the Company) and its subsidiary companies and jointly controlled entities. These Consolidated Financial Statements have been prepared on the following basis:

- i. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items like assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits and losses as per Accounting Standard 21 – “Consolidated Financial Statements”.
- ii. Minority interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and the equity of the Company’s shareholders. Minority interest in the net assets of consolidated subsidiaries consists of:
 - The amount of equity attributable to minorities at the date on which investment in a subsidiary is made and
 - The minorities’ share of movements, if any, in equity since the date the parent-subsidiary relationship came into existence.
- iii. Minority interest’s share of net profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.
- iv. The financial statements of jointly controlled entities have been consolidated using the “proportionate consolidation method” as per Accounting Standard 27 on “Financial Reporting of Interests in Joint Ventures” on line by line basis by adding together the book values of assets, liabilities, income and expenses after eliminating unrealized profits/losses on intra group transactions.



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

3. Basis of consolidation (continued)

v. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's standalone financial statements.

4. List of subsidiaries and jointly controlled entities consolidated:

The following entities, incorporated in India, have been considered for the purpose of preparation of consolidated financial statements.

	Percentage of interest	
	31 March 2016	31 March 2015
<u>Subsidiaries</u>		
Gayatri Jhansi Roadways Limited	50.99%	50.99%
Gayatri Lalitpur Roadways Limited	51.00%	51.00%
<u>Jointly Controlled Entities</u>		
Cyberabad Expressways Limited	50.00%	50.00%
Hyderabad Expressways Limited	50.00%	50.00%
Western UP Tollway Limited	49.00%	49.00%

5. Summary of significant accounting policies

(a) Use of estimates

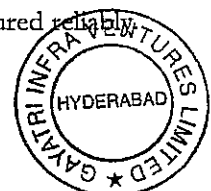
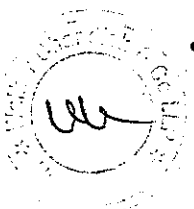
The preparation of the consolidated financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statements and amounts of income and expenses. Examples of such estimates include the provision for doubtful receivables, determination of recoverable amounts of fixed assets, deferred tax assets, employee benefits, total projected revenue from a carriageway related to toll based road projects and useful lives of fixed assets.

Although these estimates are based upon management's best knowledge of current events and actions, actual results could materially differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

(b) Revenue Recognition

Contract revenue

- Revenue from construction contracts is recognised using percentage of completion method as prescribed under AS 7 "Construction Contracts" and with reference to stage of completion of the contract activity at the reporting date. Depending on the nature and terms of individual contract, stage of completion is determined on the basis of the proportion of costs incurred for the work performed till date to the total estimated contract costs.
- Price escalation and other claims and / or variation in the contract work are included in contract revenue when:
 - Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim; and
 - The amount that is probable will be accepted by the customer can be measured reliably.



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

5. Summary of significant accounting policies (continued)

- Revenue from services rendered on a time and material basis is recognised as per the terms of contracts with customers and as and when the related services are performed. Revenue from fixed price arrangements is recognised using the completed contract method and accordingly, work completed and not billed, if any, is recognised as unbilled revenue as at the Balance Sheet date.

Development of highways

In annuity based projects, revenue recognition is based on annuity accrued on time basis in accordance with the provisions of the concessionaire agreement entered into with National Highways Authority of India or with respective state governments. Claims raised on NHAI or with respective state governments under concessionaire agreement are accounted for in the year of acceptance.

Interest Income

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

Dividend income

Dividend income is accounted for when the right to receive is established.

(c) Fixed Assets

Tangible assets

Tangible assets are stated at cost of acquisition, less accumulated depreciation thereon. The cost of an item of fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Intangible assets

Carriageways represents commercial rights to collect toll fee in relation to roads projects and to receive annuity in the case of annuity based projects which has been accounted at the cost incurred on the project activity towards reconstruction, strengthening, widening, rehabilitation of the roads on build, operate and transfer basis. It includes all direct material, labour and subcontracting costs, inward freight, duties, taxes, obligation towards negative grant payable to concessionaires, if any, and any directly attributable expenditure on making the commercial right ready for its intended use.

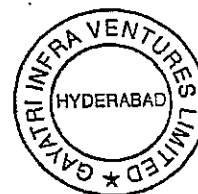
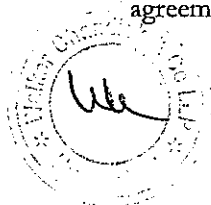
(d) Depreciation and Amortisation

Depreciation

Depreciation of tangible assets is provided on the basis of straight line method in accordance with Schedule II to the Act.

Amortisation

Carriageways related to annuity based projects are amortised over the period of the respective Concession agreements on a straight line basis over the period of agreement



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

5. Summary of significant accounting policies (continued)

Carriageways related to toll based road projects are amortised based on proportion of actual revenue received during the accounting year to the total projected revenue till the end of the concession period in accordance with notification dated 17 April 2012 issued by the Ministry of Corporate Affairs, Government of India.

The total projected revenue for the entire useful life is reviewed at the end of each financial year for expected changes in traffic and adjusted to reflect any changes in the estimate which will lead to actual collection at the end of useful life.

Intangible assets representing carriageways are amortised over the concession period, ranging from 10 to 20 years, which is beyond the maximum period of 10 years as specified in AS 26 on Intangible Assets, as the economic benefits from the underlying assets would be available to the Group and its jointly controlled entities over such period as per the respective concessionaire agreements.

(d) Impairment

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

(e) Grants

Grants or subsidies from the government or any regulatory authority are recognised when there is reasonable assurance that the grant/subsidy will be received and all conditions attached to the grant/subsidy will be complied with.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate.

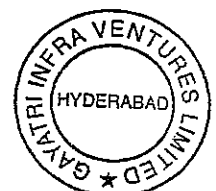
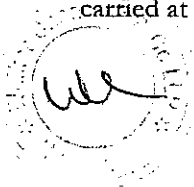
Where the grant or subsidy relates to an asset, the grant or subsidy amount (net of direct amount incurred to earn aforesaid grant or subsidy) is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

(f) Borrowing costs

Borrowing Costs that are attributable to the acquisition and construction of qualifying assets are capitalized as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. Any income on the temporary investments of borrowings is deducted from the borrowing cost.

(g) Investments

Investments are classified as current and non-current investments. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Non-current investments are carried at cost less provision for permanent diminution, if any, in the value of such investments. Current investments are carried at lower of cost and fair value.



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

5. Summary of significant accounting policies (continued)

(h) Earnings/(loss) per equity share

Basic earnings per equity 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 year are adjusted for the effects of all dilutive potential equity shares, if any.

(i) Taxes on Income

Current Tax

Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax

Deferred Tax is recognized on timing differences between the accounting income and the taxable income for the year, and computed using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

At each reporting date, the group and its jointly controlled entities re-assess unrecognised deferred tax assets. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future periods. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.

The carrying amount of deferred tax assets are reviewed at each reporting date. The group and its jointly controlled entities writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

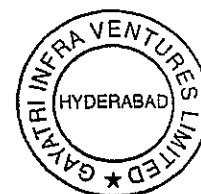
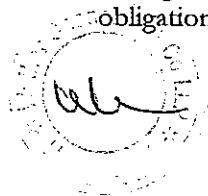
Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

(k) Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise of cash at bank and on hand and include short term investments with an original maturity of three months or less.

(l) Provisions and contingent liabilities

Provision is recognized when the Group and its jointly controlled entities has a present obligation as a result of a past event and when 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 their present value and are determined based on management's 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 management estimates. A disclosure of a contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

5. Summary of significant accounting policies (continued)

(m) Segment reporting

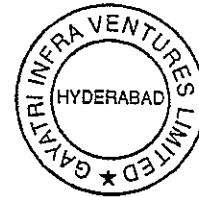
Segments are identified in line with Accounting Standard (AS) -17, "Segment Reporting", taking into considerations the internal organization and management structure as well as the different risk and returns of the segment.

(n) Operating leases

Leases where the lessor effectively retains substantially all the risks and rewards incidental to the ownership are classified as operating leases.



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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

6. Share capital

	As at			
	31 March 2016		31 March 2015	
	Number	Amount	Number	Amount
Authorized:				
Equity shares of ₹10 each	20,00,000	2,00,00,000	20,00,000	2,00,00,000
	20,00,000	2,00,00,000	20,00,000	2,00,00,000
Issued, subscribed and fully paid-up:				
Equity shares of ₹10 each	17,70,833	1,77,08,330	17,70,833	1,77,08,330
	17,70,833	1,77,08,330	17,70,833	1,77,08,330

(a) Reconciliation of the number of equity shares outstanding at the beginning and end of the year

	As at			
	31 March 2016		31 March 2015	
	Number	Amount	Number	Amount
At the beginning and end of the year	17,70,833	1,77,08,330	17,70,833	1,77,08,330

(b) Terms, rights and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of equity shares held by holding Company

	As at			
	31 March 2016		31 March 2015	
	Number	Amount	Number	Amount
Gayatri Projects Limited	12,47,000	1,24,70,000	12,47,000	1,24,70,000

(d) Details of shareholders holding more than 5% shares in the Company :

	As at			
	31 March 2016		31 March 2015	
	Number	Amount	Number	Amount
Gayatri Projects Limited, the holding Company	12,47,000	70.42%	12,47,000	70.42%
AMP Capital Finance Mauritius Limited	5,20,833	29.41%	5,20,833	29.41%



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Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

7. Reserves and surplus

	As at	
	31 March 2016	31 March 2015
Securities premium account		
Balance at the beginning and end of the year	2,19,96,19,577	2,19,96,19,577
Deficit in the Statement of Profit and Loss		
Balance at the beginning of the year	(1,69,65,63,850)	(1,29,17,91,548)
Add: Loss for the year	(46,61,77,697)	(40,43,44,485)
Add: Adjustments*	-	(4,27,817)
Balance at the end of the year	<u>(2,16,27,41,547)</u>	<u>(1,69,65,63,850)</u>
	<u>3,68,78,030</u>	<u>50,30,55,727</u>

* Represents adjustment on account of change in estimated useful life of tangible assets in accordance with the provisions of Schedule II to the Act.

8. Long-term borrowings

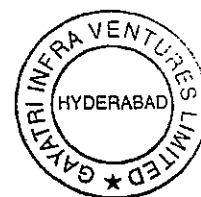
	As at	
	31 March 2016	31 March 2015
Secured		
-from banks	4,25,58,89,303	5,53,07,96,403
-from others	2,39,39,32,747	3,60,90,18,357
	<u>6,64,98,22,050</u>	<u>9,13,98,14,760</u>
Unsecured		
-from others	-	1,35,00,00,000
-from related parties	1,77,24,00,250	56,91,74,603
	<u>8,42,22,22,300</u>	<u>11,05,89,89,363</u>
Less: Current maturities of long term borrowings	79,44,75,260	2,20,12,29,216
	<u>7,62,77,47,040</u>	<u>8,85,77,60,147</u>

(a) Details of loans

- (i) Term loans from related party aggregating to ₹1,500,000,000 (31 March 2015: Nil) is secured by way of
 (a) pledge of 1,200,000 Equity shares held by the holding company, M/s Gayatri Projects Limited,
 (b) corporate guarantee of Gayatri Projects Limited.
- (ii) Term loans from others aggregating to Nil (31 March 2015: ₹1,350,000,000) is secured by way of
 (a) pledge of 1,200,000 Equity shares held by the holding company, M/s Gayatri Projects Limited,
 (b) corporate guarantee of Gayatri Projects Limited.
- (iii) The above facilities carry an annual interest rate of 16% (31 March 2015: 16%).



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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

8. Long-term borrowings (continued)

(iv) Secured terms loans aggregating to ₹ 1,938,301,180(31 March 2015: ₹2,058,151,180) obtained by Gayatri Jhansi Roadways Limited is secured by way of:

- (a) First mortgage and charge of all the borrower's immovable properties, present and future.
- (b) First charge by way of hypothecation of:
- all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
 - operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
 - all intangibles, including but not limited to goodwill, uncalled capital, present and future.
 - Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
 - Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
 - Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital.

The facilities carry an annual interest rate of 11.20% (31 March 2015: 11.20%).

(v) Secured terms loans aggregating to ₹ 692,264,800 (31 March 2015: ₹731,084,800) obtained by Gayatri Jhansi Roadways Limited is secured by way of:

- (a) Second mortgage and charge of all the borrower's immovable properties, present and future.
- (b) Second charge by way of hypothecation of:
- all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
 - Operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
 - All intangibles, including but not limited to goodwill, uncalled capital, present and future.
 - Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
 - Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
 - Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital

The facilities carry annual interest rate ranging from 11.50% to 12.85%(31 March 2015: 11.50% to 12.85%).



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

8. Long-term borrowings (continued)

(vi) Secured terms loans aggregating to ₹ 1,154,063,752 (31 March 2015: ₹1,228,765,349) obtained by Gayatri Lalitpur Roadways Limited is secured by way of:

(a) First mortgage and charge of all the borrower's immovable properties, present and future.

(b) First charge by way of hypothecation of:

- all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.

- operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.

- all intangibles, including but not limited to goodwill, uncalled capital, present and future.

- Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.

- Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.

- Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital.

The facilities carry an annual interest rate of 11.25%(31 March 2015: 11.25%).

(vii) Secured terms loans aggregating to ₹798,642,330.5 (31 March 2015: ₹848,734,209) obtained by Gayatri Lalitpur Roadways Limited, is secured by way of:

(a) Second mortgage and charge of all the borrower's immovable properties, present and future.

(b) Second charge by way of hypothecation of:

- all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.

- Operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.

- All intangibles, including but not limited to goodwill, uncalled capital, present and future.

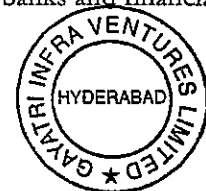
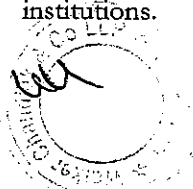
- Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.

- Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.

- Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital

The facilities carry an annual interest rate ranging from 11.50% to 12.85% (31 March 2015: 11.50% to 12.85%).

(viii) Unsecured term loans to the tune of ₹272,400,000 (31 March 2015: ₹322,400,250) borrowed by Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited from its shareholder's represents zero interest subordinate loan repayable after the repayment of other secured loans from banks and financial institutions.



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

8. Long-term borrowings (continued)

(ix) Secured term loans aggregating to ₹1,166,687,071 (31 March 2015: ₹1,347,166,009) obtained by Cyberabad Expressways Limited is secured by way of first pari passu charge in favour of the lenders/security agent to the project by way of hypothecation of:

a) All monies including annuity receivable from Hyderabad Growth Corridor Limited (HGCL) to the credit of the escrow Account.

b) All rights, title, interest, benefits, claims and demands of the company under project agreements subject to the provisions of the concession agreement.

c) Assignment of rights, title and interest to or in favor of the lenders pursuant to and in accordance with the substitution agreement as per the provisions of the financing documents of the project.

The facilities carry an annual interest rate of 11.50% (31 March 2015: 11.50%).

(x) Secured term loans aggregating to ₹899,863,149 (31 March 2015: ₹977,093,909) obtained by Hyderabad Expressways Limited is secured by way of first pari passu charge in favour of the lenders/security agent to the project by way of hypothecation of:

a) All monies including annuity receivable from HGCL to the credit of the escrow Account.

b) All rights, title, interest, benefits, claims and demands of the company under project agreements subject to the provisions of the concession agreement.

c) Assignment of rights, title and interest to or in favor of the lenders pursuant to and in accordance with the substitution agreement as per the provisions of the financing documents of the project.

The facilities carry an annual interest rate of 11.50% (31 March 2015: 11.50%).

(xi) Secured term loans aggregating to Nil (31 March 2015: ₹1,948,819,303) obtained by Western UP Tollways Limited are secured by way of:

(a) first mortgage and charge in a form satisfactory to all company's immovable properties, present and future expect project assets.

(b) first charge by way of hypothecation of all the company's movables, including movable plant and machinery, present and future except the project assets, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets.

(c) A first charge on operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising present or future.

(d) subject to provisions of provisions on concession agreement, first charge on the escrow account, debt service reserve, MMR and other reserves.

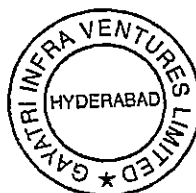
(e) A first pledge of 100% of paid up capital till three years of commencement of commercial operations and thereafter minimum 51% of total paidup capital of the company held by the promoters during the tenure of the loan.

The facilities carry an annual interest rate of Nil (31 March 2015: 11.50% to 14.00%).

(xii) Unsecured term loans to the tune of Nil (31 March 2015: ₹246,774,604) is obtained by Western UP Tollways Limited from related parties carrying interest at the annual rate of Nil (31 March 2015: 12%).

(b) Terms of repayment for secured loans from banks and others and the unsecured loans from others

	As at	
	31 March 2016	31 March 2015
Up to 1 year	79,44,75,260	2,20,12,29,216
2 to 5 years	5,07,94,20,450	4,32,01,51,140
Above 5 years	2,54,83,26,591	4,53,76,09,007
	<u>8,42,22,22,300</u>	<u>11,05,89,89,363</u>



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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

8. Long-term borrowings (continued)

(c) Details of overdue installments of principal and interest on secured and unsecured loans from banks and others

	As at	
	31 March 2016	31 March 2015
Principal		
0-30 days	8,05,86,125	7,42,24,063
30-90 days	11,20,87,500	-
	19,26,73,625	7,42,24,063
Interest		
0-30 days	4,82,59,483	1,91,18,142
30-90 days	3,34,34,076	5,19,40,116
90-180 days	6,05,02,270	34,04,779
above 180 days	31,63,388	77,93,695
	14,53,59,217	8,22,56,731

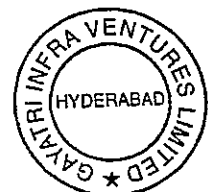
9. Other long-term liabilities

	As at	
	31 March 2016	31 March 2015
Interest accrued but not due*	-	5,72,78,066
	-	5,72,78,066

* Represents interest on contractual dues payable to related parties.

10. Provisions

	As at	
	31 March 2016	31 March 2015
a) Long-term		
Provision for periodic maintenance		
As at beginning of the year	73,50,49,926	70,30,98,285
Add: Charge for the year	4,42,07,044	9,56,51,641
Less: Transferred during the year	-	(6,37,00,000)
As at end of the year	77,92,56,970	73,50,49,926
Provision for gratuity and compensated absences	5,67,893	2,53,820
	77,98,24,863	73,53,03,746
b) Short-term		
Provision for periodic maintenance	12,98,38,937	13,87,25,658
Provision for gratuity and compensated absences	6,507	-
	12,98,45,444	13,87,25,658



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

11. Short-term borrowings

	As at	
	31 March 2016	31 March 2015
Unsecured		
-from related parties*	65,97,76,958	62,16,62,434
-from banks**	1,81,29,872	-
	<u>67,79,06,830</u>	<u>62,16,62,434</u>

* Represents unsecured loans from related parties repayable on demand along with an annual interest rate of 16% (31 March 2015: 16%).

** Represents amounts borrowed for working capital purpose at an annual interest rate of 11.5% (31 March 2015: 11.5%).

12. Trade payables

	As at	
	31 March 2016	31 March 2015
Dues to micro, small and medium enterprises	-	-
Dues to related parties	2,46,93,543	2,44,09,172
Dues to others	5,65,85,642	3,91,25,031
	<u>8,12,79,185</u>	<u>6,35,34,203</u>

Based on information available with the Group and its jointly controlled entities, as at 31 March 2016 (31 March 2015: Nil), there are no suppliers who are registered as micro and small enterprises under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006.

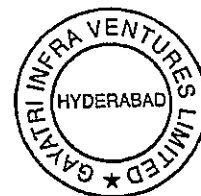
13. Other current liabilities

	As at	
	31 March 2016	31 March 2015
Current maturities of long-term borrowings (refer note 8)	79,44,75,260	2,20,12,29,216
Interest accrued and due on borrowings*	19,72,96,632	11,74,73,558
Interest accrued but not due on borrowings	6,04,47,259	6,41,96,866
Statutory liabilities	7,45,77,076	4,83,53,157
Dues to related party	1,04,63,553	2,50,14,028
Provision for expenses	9,05,36,059	7,92,47,707
Liabilities held for sale**	2,28,51,00,747	-
	<u>3,51,28,96,586</u>	<u>2,53,55,14,532</u>

* Includes interest accrued and due on short-term borrowings from related parties to the tune of ₹51,790,904 (31 March 2015: ₹3,521,6827)

** Represents reclassification on account of disposal of interests in jointly controlled entity (refer note 31)

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Gayatri Infra Ventures Limited

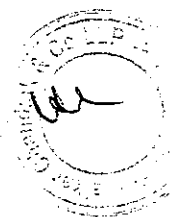
Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

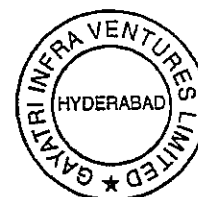
14. Tangible assets

	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Computers	Total
Gross block						
As at 1 April 2014	3,62,732	9,22,378	72,56,015	14,14,188	20,36,863	1,19,92,176
Additions during the year	-	44,057	28,227	18,169	-	90,453
Disposals	-	-	8,80,909	-	-	8,80,909
Adjustments	-	-	10,91,550	4,99,660	5,02,870	20,94,080
As at 31 March 2015	3,62,732	9,66,435	53,11,783	9,32,697	15,33,993	91,07,640
Additions during the year	-	-	-	4,419	48,500	52,919
Adjustments*	39,532	7,36,483	17,06,558	9,77,875	-	34,60,448
As at 31 March 2016	3,23,200	2,29,952	36,05,225	(40,759)	15,82,493	57,00,111
Accumulated depreciation						
As at 1 April 2014	3,12,971	5,28,164	37,70,798	8,46,724	13,35,595	67,94,252
Charge for the year	11,511	78,054	12,37,549	3,14,445	5,38,800	21,80,359
Deletions / adjustments	-	-	7,55,709	-	-	7,55,709
Adjustments	-	-	9,53,494	3,65,414	3,47,353	16,66,261
As at 31 March 2015	3,24,482	6,06,218	32,99,144	7,95,755	15,27,042	65,52,641
Charge for the year	7,463	76,231	9,57,282	86,761	7,593	11,35,330
Adjustments*	23,736	4,96,500	14,31,413	9,27,672	-	28,79,321
As at 31 March 2016	3,08,209	1,85,949	28,25,013	(45,156)	15,34,635	48,08,650
Net block						
As at 31 March 2016	14,991	44,003	7,80,212	4,397	47,858	8,91,461
As at 31 March 2015	38,250	3,60,217	20,12,639	1,36,942	6,951	25,54,999

* Represents reclassifications to assets held for sale on account of loss of control over jointly controlled entity (refer note 31)



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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

15. Intangible assets

Carriage way	As at	
	31 March 2016	31 March 2015
Gross block		
At the beginning of the year	13,85,49,88,924	13,72,96,44,626
Additions during the year	63,34,77,942	12,53,44,298
Adjustments*	3,42,10,29,134	-
At the end of the year	<u>11,06,74,37,732</u>	<u>13,85,49,88,924</u>
Accumulated amortisation		
At the beginning of the year	3,44,98,37,675	2,53,69,20,601
Charge for the year	1,03,30,31,116	91,29,17,074
Adjustments*	82,26,39,644	-
At the end of the year	<u>3,66,02,29,147</u>	<u>3,44,98,37,675</u>
Net block	<u>7,40,72,08,585</u>	<u>10,40,51,51,249</u>

* Represents reclassifications to assets held for sale on account of loss of control over jointly controlled entity (refer note 31)

16. Non-current investments

	As at	
	31 March 2016	31 March 2015
Unquoted trade investments of ₹10 each fully paid:		
-others		
16,680 equity shares (31 March 2015: 16,680), representing 33.36% (31 March 2015: 33.36%) in Indore Dewas Tollways Limited	1,66,800	1,66,800
510,647 equity shares (31 March 2015: 510,647), representing 11.00% (31 March 2015: 11.00%) in HKR Roadways Limited	51,06,470	51,06,470
Aggregate amount of unquoted investments, at cost	<u>52,73,270</u>	<u>52,73,270</u>



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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

17. Loans and advances

	As at	
	31 March 2016	31 March 2015
(Unsecured, considered good)		
a) Long-term		
Advances to related parties	1,06,60,57,141	1,08,23,72,794
Security deposits	5,00,000	8,01,088
Advance tax (net of provision)	3,80,12,726	12,48,28,987
Others	4,55,72,284	
	1,15,01,42,151	1,20,80,02,869
b) Short-term		
Advances to related parties		
- holding company	10,80,85,268	68,25,73,151
- fellow subsidiaries	5,69,165	3,69,165
- others	19,23,612	-
	11,05,78,045	68,29,42,316

18. Trade receivables

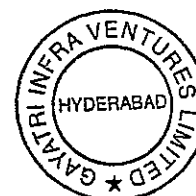
	As at	
	31 March 2016	31 March 2015
(Unsecured, considered good)		
Due for a period exceeding six months	3,85,16,510	3,48,41,035
Other receivables	36,09,49,418	54,00,01,421
	39,94,65,928	57,48,42,456

19. Cash and cash equivalents

	As at	
	31 March 2016	31 March 2015
Balances with banks		
- in current accounts	98,36,92,493	45,22,52,810
- in deposit accounts, with maturity of less than three months	-	4,41,00,000
Cash on hand	54,473	9,50,358
	98,37,46,966	49,73,03,168



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Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

20. Other current assets

	As at	
	31 March 2016	31 March 2015
(Unsecured, considered good)		
Accrued annuity	19,77,27,486	22,87,93,487
Prepaid expenses	11,27,739	18,29,495
Others	23,43,122	2,03,89,353
Receivable from disposal of interest in jointly controlled entity*	2,72,13,82,650	-
	2,92,25,80,997	25,10,12,335

* Represents reclassification on account of disposal of interest in jointly controlled entity (refer note 31)

21. Revenue from operations

	For the year ended	
	31 March 2016	31 March 2015
Annuity income	1,77,79,00,000	1,77,79,00,000
Toll collections	44,94,90,503	46,64,61,625
Operations and maintenance support	6,21,32,000	6,21,32,000
	2,28,95,22,503	2,30,64,93,625

22. Other income

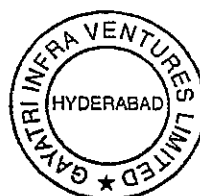
	For the year ended	
	31 March 2016	31 March 2015
Interest income	26,09,657	9,15,649
Income from mutual funds	3,12,27,809	2,79,96,712
Profit on sale of fixed assets	-	42,301
Miscellaneous receipts	82,99,684	19,76,893
	4,21,37,150	3,09,31,555

23. Employee benefits expense

	For the year ended	
	31 March 2016	31 March 2015
Salaries and wages	3,17,87,970	2,90,75,795
Contribution to provident and other fund	8,87,229	1,80,737
Staff welfare expenses	88,421	78,177
	3,27,63,620	2,93,34,709

a) Significant assumptions for gratuity and compensated absences

	For the year ended	
	31 March 2016	31 March 2015
Discount rate	8%	8%
Expected rate of salary increases	5%	5%
Expected average future service of employees	20 Years	22 Years



Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

24. Finance costs

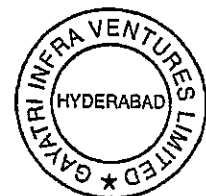
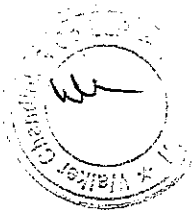
	For the year ended	
	31 March 2016	31 March 2015
Interest expense	1,30,17,94,712	1,39,16,78,794
Other borrowing costs	1,55,91,495	1,11,74,730
	<u>1,31,73,86,207</u>	<u>1,40,28,53,524</u>

25. Other expenses

	For the year ended	
	31 March 2016	31 March 2015
Toll operating expenses	2,53,28,801	2,42,91,147
Repairs and maintenance - carriage way	34,99,74,926	35,63,04,175
Insurance expenses	32,05,651	29,94,593
Consultancy and professional charges	3,08,94,447	1,62,60,629
Rent	44,39,426	42,35,515
Payments to the auditors as		
- audit fees	13,16,750	12,92,140
- other matters		
Travelling and conveyance	34,90,985	29,52,852
Miscellaneous expenses	2,07,52,252	2,76,30,585
	<u>43,94,03,238</u>	<u>43,59,61,636</u>

26. Commitments and contingent liabilities:

	As at	
	31 March 2016	31 March 2015
a) Contingent liabilities		
Disputed income tax dues	8,92,926	8,92,926
Transit fee on forest produce disputed by the subsidiaries	29,62,44,291	29,62,44,291
Corporate guarantee given to Indore Dewas Tollway Limited	6,26,13,00,000	-
b) Commitments		
Contracts remaining to be executed on capital accounts (net of	6,59,63,688	10,19,63,688
Operation and maintenance (O&M) Service fee payable to the		
ultimate holding Company as per the original agreement	2,59,81,97,770	2,66,90,62,270
Joint and several liability in respect of projects developed other entities	Not ascertainable	Not ascertainable



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

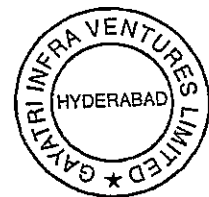
27. Additional information pursuant to Schedule III to the Act

Name of the entity	As at		For the year ended	
	31 March 2016			
	Net assets		Share in profit or loss	
	As a % of consolidated net assets	Amount (₹)	As a % of consolidated profit or loss	Amount (₹)
Parent				
Gayatri Infra Ventures Limited	-681%	(1,17,26,28,495)	53%	(26,36,67,997)
Subsidiaries				
Gayatri Jhansi Roadways Limited	185%	31,90,79,873	11%	(5,61,40,017)
Gayatri Lalitpur Roadways Limited	119%	20,46,24,418	2%	(1,20,29,460)
Joint Ventures				
Cyberabad Expressways Limited	176%	30,31,49,974	4%	(2,15,23,326)
Hyderabad Expressways Limited	47%	8,17,89,482	-1%	37,77,346
Western UP Tollway Limited	253%	43,62,81,658	30%	(14,90,73,568)
Total		17,22,96,910		(49,86,57,023)
Minority Interests in all subsidiaries				
Gayatri Jhansi Roadways Limited	35%	5,95,90,911	5%	(2,67,16,506)
Gayatri Lalitpur Roadways Limited	34%	5,81,21,489	1%	(57,62,819)

Name of the entity	As at		For the year ended	
	31 March 2015			
	Net assets		Share in profit or loss	
	As a % of consolidated net assets	Amount (₹)	As a % of consolidated profit or loss	Amount (₹)
Parent				
Gayatri Infra Ventures Limited	-144%	(96,72,96,016)	55%	(24,59,78,876)
Subsidiaries				
Gayatri Jhansi Roadways Limited	55%	36,70,72,928	13%	(5,78,46,827)
Gayatri Lalitpur Roadways Limited	41%	27,33,66,638	5%	(2,26,50,580)



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Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

27. Additional information pursuant to Schedule III to the Act (continued)

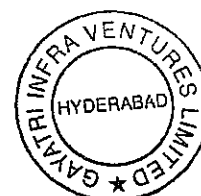
Name of the entity	As at		For the year ended	
	31 March 2015			
	Net assets		Share in profit or loss	
	As a % of consolidated net assets	Amount (₹)	As a % of consolidated profit or loss	Amount (₹)
Joint Ventures				
Cyberabad Expressways Limited	43%	28,64,24,421	12%	(5,15,95,358)
Hyderabad Expressways Limited	19%	12,58,24,744	2%	(1,01,90,638)
Western UP Tollway Limited	87%	58,55,63,068	13%	(5,55,25,934)
Total		67,09,55,783		(44,37,88,213)
Minority Interests in subsidiaries				
Gayatri Jhansi Roadways Limited	13%	8,63,07,417	6%	(2,83,44,945)
Gayatri Lalitpur Roadways Limited	10%	6,38,84,309	3%	(1,10,98,783)

28. Related Party transactions

a) Names of the related parties and description of relationship

Name of the related party	Nature of relationship
Gayatri Projects Limited	Holding Company
Indore Dewas Tollways Limited	Fellow Subsidiary
Bhandara Thermal Power Corporation Limited	
Deep Corporation Private Limited	Enterprises in which Key Managerial Personnel and/or their relatives have significant influence
HKR Roadways Limited	
Balaji Highways Holding Private Limited	
Axis Energy Ventures India Private Limited	
IL & FS Engineering & Construction Company Limited (IL & FS)	Shareholders' having significant influence in a jointly controlled entity
Terra Projects Limited	
India Infrastructure Fund	
NCC Limited	
NCC Infrastructure Holdings Limited	

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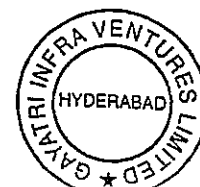


Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

28. Related party transactions (continued)**b) Transactions with related parties**

	For the year ended	
	31 March 2016	31 March 2015
Transactions with Gayatri Projects Limited (GPL)		
<i>Payments made by GPL on behalf of the group towards</i>		
- Unsecured loans received and interest to lenders	5,57,14,522	26,68,80,574
<i>Amounts paid to GPL towards</i>		
- Shared services availed	-	1,35,00,000
- Interest on borrowings	3,14,98,763	2,80,14,165
- Operations and maintenance	8,39,33,853	8,61,66,827
- Development expenditure of intangible assets	-	12,21,27,355
- Major maintenance	3,64,69,243	2,24,12,865
- Utility shifting	49,42,508	-
- Others	4,07,176	-
Transactions with Deep Corporation Limited		
Rent	17,24,702	16,20,409
Transactions with HKR Roadways Limited		
Salaries paid on behalf of the Group	-	2,09,600
Transactions with IL & FS		
Interest on loans	-	1,54,40,000
Transactions with NCC Limited		
Interest expense	1,72,11,027	1,53,48,806
Reimbursement of expenses	-	2,30,908
Bank guarantee given	2,50,889	-
Transactions with Bhandara Thermal Power Corporation		
Loans taken	1,50,00,00,000	-
Interest on loans taken	17,62,00,349	-
Transactions with Indore Dewas Tollways Limited		
Corporate gurantee given to the lenders	6,26,13,00,000	-
Transactions with NCC Infrastructure Holdings Limited		
Management fees paid	26,79,751	26,42,707
Transactions with Axis Energy Ventures India Private Limited		
Repairs and maintenance	-	26,53,061

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Gayatri Infra Ventures Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ unless otherwise stated)

28. Related party transactions (continued)**c) Balances receivable/(payable)**

	As at	
	31 March 2016	31 March 2015
Gayatri Projects Limited	(74,42,84,196)	(29,66,40,525)
Indore Dewas Tollways Limited	36,30,00,000	36,30,00,000
HKR Roadways Limited	67,89,27,709	67,89,27,709
Balaji Highways Holding Private Limited	5,69,164	3,69,164
IL & FS Engineering & Construction Company Limited	(22,96,34,559)	(19,59,22,949)
Terra Projects Limited	(9,17,25,396)	(14,70,94,911)
India Infrastructure Fund	(27,24,00,000)	(32,24,00,000)
NCC Limited	(16,22,52,729)	(14,55,98,945)
Bhandara Thermal Power Corporation Limited	(1,60,67,14,271)	-
NCC Infrastructure Holdings Limited	(19,41,32,902)	(19,41,32,902)

29. Deferred tax

In the absence of virtual certainty of future taxable profits supported by convincing evidence, the group has not created deferred tax assets on unabsorbed business losses and other timing differences. The group would be able to use unabsorbed tax depreciation and business losses to set off against future taxable income for a specified period.

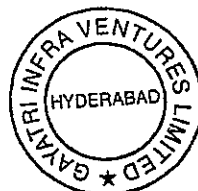
30. Segment reporting

Based on the Group's business model and considering the internal financial reporting to the management, subsidiaries and joint ventures which are engaged in the business of construction in the transport infrastructure has been considered as the only reportable segment. Further all the services are rendered only in India. Hence there are no additional disclosures required to be provided in accordance with Accounting Standard 17, "Segment Reporting".

31. The Company has entered into a definitive sale agreement dated 19 January 2016 with Cube Highways and Infrastructure PTE Limited for divestment of its entire equity stake held in Western UP Tollway Limited, a jointly controlled entity. On the basis of assessment of the status of compliances with certain mandatory conditions stipulated in the agreement and pending finalisation of the sale consideration, the financial statements of the jointly controlled entity have been accordingly consolidated in the financial statement of the group as at and for the year ended 31 March 2016 and duly disclosed as a discontinuing operations in accordance with the provisions of Indian GAAP. The details of the assets, liabilities, income and expenditure pertaining to the aforesaid jointly controlled entity, duly consolidated, considered for consolidation in the financial statements as at and for the year ended 31 March 2016 and 31 March 2015 are as follows:

a. Group's share in liabilities as at 31 March 2016

Particulars	31 March 2016	31 March 2015
Non-current liabilities		
Long-term borrowings	1,81,70,67,965	1,77,60,46,456
Other long-term liabilities	9,68,41,230	30,86,76,977
Long term provisions	1,77,493	2,53,820
Current liabilities		
Trade payables	40,49,446	38,97,957
Other current liabilities	21,85,79,142	19,26,08,260
Short term provisions	14,83,85,472	12,25,00,000
	2,28,51,00,747	2,40,39,83,470



Gayatri Infra Ventures Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

b. Group's share in assets as at 31 March 2016

Particulars	31 March 2016	31 March 2015
Non-current assets		
Fixed assets		
-Tangible assets	5,81,127	7,82,456
-Intangible assets	2,59,83,89,488	2,87,58,48,809
Long term loans and advances	35,35,216	1,22,14,622
Current assets		
Cash and cash equivalents	1,34,13,017	5,84,87,248
Short term loans and advances	61,964	43,04,674
Other current assets	10,54,01,838	3,79,08,732
	2,72,13,82,650	2,98,95,46,541

c. Group's share in income and expenditure and cash flows for the year ended 31 March 2016

Particulars	For the year ended	
	31 March 2016	31 March 2015
Revenue		
Revenue from operations	51,16,22,503	52,85,93,625
Other income	26,09,657	9,15,649
	51,42,32,160	52,95,09,274
Expenses		
Toll operating expenses	2,53,28,801	2,42,91,147
Employee benefit expenses	60,19,480	56,36,614
Finance costs	26,05,75,251	28,26,17,888
Depreciation and amortisation expense	27,76,65,066	17,27,70,765
Other expenses	9,39,22,878	9,97,18,794
	66,35,11,477	58,50,35,208
Loss for the year	(14,92,79,317)	(5,55,25,934)
Net decrease in cash and cash equivalents	(4,50,74,230)	5,39,84,702

32. Comparatives

The consolidated financial statements for the previous period have been regrouped / rearranged to conform to the current year presentation wherever required.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP

Chartered Accountants

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner



Place: Hyderabad
Date: 23 May 2016

For and on behalf of the Board of Directors of
Gayatri Infra Ventures Limited

T. Anirudh reddy
T. Anirudh reddy
Director

J. Brij Mohan Reddy
J. Brij Mohan Reddy
Director

Place: Hyderabad
Date: 23 May 2016

