



R. NAGPAL ASSOCIATES
CHARTERED ACCOUNTANTS

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Independent Auditor's Report

To the Members of
JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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, as applicable

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its Nil Profit/Loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) 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 did not have any pending litigations.
 - ii. The Company does not have any material foreseeable losses in respect of any long-term contracts including derivative contracts;
 - iii. Transfer to the Investor Education and Protection Fund is not applicable to the Company.



2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For R. NAGPAL ASSOCIATES
Chartered Accountants
Firm Registration Number 002626N



(CA R. NAGPAL)
Partner
M No.081594



Place: Noida
Dated: 27.05.2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintain internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act. to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable details, 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

Because of the Inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changed in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountant of India.

**For R. NAGPAL ASSOCIATES
Chartered Accountants
Firm Registration Number 002626N**



**(CA R. NAGPAL)
Partner
M No.081594**

**Place: Noida
Dated: 27.05.2016**

ANNEXURE 'B' referred to in paragraph 2 of our report of even date to the members of JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED on the accounts of the Company for the year ended 31st March 2016.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) A substantial portion of the Fixed Assets have been physically verified by the management during the year and to the best of our knowledge and information given to us, no material discrepancies were identified on such verification.

(c) As there is no immovable property, therefore Clause 3(i)(c) of the Order is not applicable.
- (ii) As the Company has no inventory, Clause 3(ii) of the Order is not applicable.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the company has not given any loans, made investments, given guarantees, and security, hence Clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) In our opinion Clause (vi) of Para 3 of the Order relating to cost accounting records is not applicable.
- (vii) (a) As per records produced before us and according to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues applicable to it like, Income-tax etc, and other material statutory dues applicable to it with the appropriate authorities, and there were no arrears of such dues at the end of the year which have remained outstanding for a period of more than six months from the date they became payable.

(b) As per records produced before us there are no dues of Income-tax, Sales-tax, Wealth tax, Service tax, Customs Duty, Excise Duty and cess which have not been deposited on account of any dispute.
- (viii) As the Company has not issued any debentures nor taken any loans from banks or financial institutions, Clause 3(viii) of the Order is not applicable.



- (ix) The Company has not taken any term loans nor raised any money by way of initial public offer or further public offer (including debt instruments) hence Clause 3(ix) of the Order is not applicable.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The Company has not paid any managerial remuneration hence Clause 3(xi) of the Order is not applicable.
- (xii) In our opinion, the Company is not a nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) Based on information and explanations given to us by the management, all transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the financial Statements as required by the applicable accounting standards.
- (xiv) Based on information and explanations given to us by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transaction with directors or person connected with hlm which is covered by Section 192 of the Act. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

**For R. NAGPAL ASSOCIATES
Chartered Accountants
Firm Registration Number 002626N**



**(CA R. NAGPAL)
Partner
M. No.081594**

**Place: Noida
Dated: 27.05.2016**

Jaypee Ganga Infrastructure Corporation Limited

Balance Sheet as at 31st March, 2016


| | Note No. | 31st March, 2016 (Rs.) | 31st March, 2015 (Rs.) |
|------------------------------------|----------|-----------------------------|-----------------------------|
| (1) EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| (a) Share capital | 2 | 5,649,900,000 | 5,649,900,000 |
| (b) Reserves and surplus | | - | - |
| | | <u>5,649,900,000</u> | <u>5,649,900,000</u> |
| (2) Non-current liabilities | | | |
| (a) Long-term borrowings | | - | - |
| (b) Other Long term liabilities | | - | - |
| (c) Long-term provisions | 3 | 36,184 | 28,520 |
| | | <u>36,184</u> | <u>28,520</u> |
| (3) Current liabilities | | | |
| (a) Short-term borrowings | | - | - |
| (b) Trade payables | 4 | 13,135,175 | 13,023,042 |
| (c) Other current liabilities | 5 | 22,060,706 | 20,648,837 |
| (d) Short-term provisions | 6 | 4,855 | 66,693 |
| | | <u>35,200,737</u> | <u>33,738,572</u> |
| Total | | <u><u>5,685,136,921</u></u> | <u><u>5,683,667,092</u></u> |
| ASSETS | | | |
| (4) Non-current assets | | | |
| Fixed assets | | | |
| (a) (i) Tangible assets | 7 | 7,073,773 | 13,689,880 |
| (ii) Capital work-in-progress | 8 | 5,355,639,926 | 5,347,051,321 |
| (b) Non-current investments | | - | - |
| (c) Long-term loans and advances | 9 | 322,335,872 | 322,335,872 |
| (d) Other non-current assets | | - | - |
| | | <u>5,685,049,571</u> | <u>5,683,077,073</u> |
| (5) Current assets | | | |
| (a) Current investments | | - | - |
| (b) Inventories | | - | - |
| (c) Trade receivables | | - | - |
| (d) Cash and Cash Equivalents | 10 | 43,930 | 566,491 |
| (e) Short-term loans and advances | 11 | 43,419 | 23,528 |
| (f) Other current assets | | - | - |
| | | <u>87,349</u> | <u>590,019</u> |
| Total | | <u><u>5,685,136,921</u></u> | <u><u>5,683,667,092</u></u> |

Summary of significant Accounting Policies 1
The note no. 1 to 19 are Integral part of the Financial Statements

As per our report of even date attached to the Financial Statements


For and on behalf of the Board

For R. Nagpal Associates
Chartered Accountants
 Firm Registration No.- 002626N

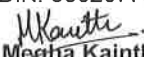

Ravinder Nagpal
 Partner
 M.No. 081594



Place : Noida
Date : 27th May, 2016


Sameer Gaur
 Director
 DIN: 00009496


Rahul Kumar
 Director
 DIN: 00020779


Megha Kainth
 Company Secretary
 M. No. FCS 7639

Jaypee Ganga Infrastructure Corporation Limited

Statement of Profit and loss for the year ended 31st March, 2016


| | Note No. | 2015-16 (Rs.) | 2014-15 (Rs.) |
|--|----------|------------------|------------------|
| Income | | | |
| Revenue from operations | | - | - |
| Expenses | | | |
| Other expenses | | - | - |
| Profit / (Loss) before exceptional and extra-ordinary items and tax | | - | - |
| Exceptional items | | - | - |
| Profit / (Loss) before extra-ordinary items and tax | | - | - |
| Extra-ordinary Items | | - | - |
| Profit / (Loss) before tax | | - | - |
| Tax expense of continuing operations | | | |
| Current tax | | - | - |
| Deferred tax | | - | - |
| Profit / (Loss) for the Year from continuing operations | | - | - |
| Earnings per equity share | | | |
| Basic | | - | - |
| Diluted | | - | - |

Summary of significant Accounting Policies 1
The note no. 1 to 19 are Integral part of the Financial Statements


As per our report of even date attached to the Financial Statements

For and on behalf of the Board

For R. Nagpal Associates
Chartered Accountants
 Firm Registration. No.- 002626N


Ravinder Nagpal
 Partner
 M.No. 081594




Sameer Gaur
 Director
 DIN: 00009496


Rahul Kumar
 Director
 DIN: 00020779


Megha Kainth
 Company Secretary
 M. No. FCS 7639

Place : Noida
Date : 27th May, 2016

Note 1

1.1 Corporate Information

Jaypee Ganga Infrastructure Corporation Limited (JGICL) was incorporated on 18th March, 2008 as a wholly owned subsidiary of Jaiprakash Associates Limited for implementation of the "Ganga Expressway Project" consisting of the prestigious 1047 km long 8 lane Access-Controlled Expressway connecting Greater Noida with Ghazipur-Ballia along the left bank of river Ganga together with development of 12,281 hectares of land parcels at eight different locations in Uttar Pradesh. The Ganga Expressway Project was awarded on Design, Build, Finance and Operate (DBFO) basis. After obtaining necessary approvals, the Concession Agreement was executed between Uttar Pradesh Expressways Industrial Development Authority (UPEIDA) and JGICL on 23rd March, 2008. Pursuant to Supplementary Agreement dated 30th November, 2011, UPEIDA has released Bank Guarantee subject to the stipulation that after the environmental clearance is obtained from the Competent Authority, UPEIDA shall inform the Company to resubmit the Bank Guarantees within such time as may be fixed by UPEIDA.

In view of uncertainty & inordinate delay in granting environmental clearance by the appropriate authorities, it has been decided to rescind the concession agreement dated 23.03.2008 by mutual consent and settlement agreement has been forwarded by UPEIDA to the Govt. of Uttar Pradesh for approval.

1.2 Basis of Preparation of Financial Statements

The financial statements are prepared under historical cost convention, on accrual basis, on the principles of going concern, in accordance with the generally accepted accounting principles, to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.3 Summary of significant accounting policies

(a) Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised.

(b) Fixed Assets

Fixed Assets are stated at cost of acquisition or construction inclusive of freight, erection and commissioning charges, duties and taxes and other incidental expenses related thereto.

(c) Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation on straight line basis from the date the assets are put for commercial use.

(d) Depreciation

Depreciation on Fixed Assets is provided on Straight Line Method as per the classification and in the manner specified in Schedule-II to the Companies Act, 2013.

(e) Employee Benefits

Employee Benefits are provided in the books as per AS-15 (revised) in the following manner:

(i) Provident Fund and Pension Contribution – as a percentage of salary/wages is a Defined Contribution Scheme.

(ii) Gratuity and Leave Encashment is a Defined Benefit Obligation. The liability is provided for on the basis



of actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit method.

(f) Preliminary Expenses

Preliminary Expenses are written off in the year in which the same are incurred in terms of Accounting Standard (AS-26).

(g) Impairment of Assets

If the carrying amount of Fixed Assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of net selling price or the value in use determined by the present value of estimated future cash flows.

(h) Capital Work in Progress

Capital Work-in-Progress represents capital expenditure incurred in respect of Ganga Expressway Project and is carried at Cost. Cost includes land, related acquisition expenses, construction costs, borrowing costs capitalized and other direct expenditure and advances to contractors and others.

(i) Expenditure during Construction Period

Expenditure incurred on projects/assets during construction/implementation is capitalized/ apportioned to projects/assets on commissioning.

(j) Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes substantial period of time to get ready for intended use or sale. All other borrowing costs are charged to revenue.

(k) Taxes on Income

(i) Current Tax is determined as per the provisions of the Income Tax Act in respect of the Taxable Income for the year.

(ii) Deferred Tax is computed as per Accounting Standard (AS-22). Deferred Tax Asset and Deferred Tax Liability are computed by applying tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

(l) Provisions, Contingent Liabilities and Contingent Assets(AS-29)

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements

(m) Cash and Bank balances

Cash and bank balances comprise cash and cash on deposit with banks. The Company considers all investments that are readily convertible to known amounts of cash to be cash equivalents.

(n) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(o) Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

Note 2. Share capital

| | 31st March, 2016 (Rs.) | 31st March, 2015 (Rs.) |
|--|---------------------------|---------------------------|
| Authorised | | |
| 400,00,00,000 Equity Shares (Previous Year: 400,00,00,000) of Rs. 10/- each | 40,000,000,000 | 40,000,000,000 |
| 100,000,000 12% Non Cumulative Redeemable Preference Shares (Previous Year: 100,000,000) of Rs. 100/- each | 10,000,000,000 | 10,000,000,000 |
| | <u>50,000,000,000</u> | <u>50,000,000,000</u> |
| Issued , Subscribed and Fully Paid-up | | |
| 271,350,000 Equity Shares (Previous Year: 271,350,000) of Rs. 10/- each fully paid-up | 2,713,500,000 | 2,713,500,000 |
| 29,364,000 12% Non Cumulative Redeemable Preference Shares (Previous Year: 29,364,000) of Rs. 100/- each fully paid-up | 2,936,400,000 | 2,936,400,000 |
| | <u>5,649,900,000</u> | <u>5,649,900,000</u> |

Note 2.1 Reconciliation of the number of the shares outstanding

| Particulars | 31st March, 2016 | | 31st March, 2015 | |
|---|------------------|---------------|------------------|---------------|
| | Number | (Rs.) | Number | (Rs.) |
| Equity Shares of Rs. 10/- each | | | | |
| Shares outstanding at the beginning of the year | 271,350,000 | 2,713,500,000 | 271,350,000 | 2,713,500,000 |
| Shares issued during the year | - | - | - | - |
| Shares outstanding at the end of the year | 271,350,000 | 2,713,500,000 | 271,350,000 | 2,713,500,000 |
| Preference Shares of Rs. 100/- each | | | | |
| Shares outstanding at the beginning of the year | 29,364,000 | 2,936,400,000 | 29,364,000 | 2,936,400,000 |
| Shares issued during the year | - | - | - | - |
| Shares outstanding at the end of the year | 29,364,000 | 2,936,400,000 | 29,364,000 | 2,936,400,000 |

Note 2.2 The rights attached to each class of shares

(I) Each Equity shareholder holding equity shares of Rs. 10/- each is eligible for one vote per share and is entitled for dividend.

(II) Preference Share holder is entitled for dividend at a fixed rate of 12% p.a. Non-Cumulative Redeemable Preference Shares (NCRPS), for 10 years from the date of allotment i.e. 25th March, 2013, extendable upto 20 years, are redeemable at par at any time at the option of the company and in the event of liquidation of the company, the holders of NCRPS will have priority in the payment of dividend and re-payment of capital over Equity Share holders of the company.

Note 2.3 The shares held by the holding company

| Name of the shareholders | Nature of Relationship | 31st March, 2016 | 31st March, 2015 |
|--|------------------------|------------------|------------------|
| | | | |
| Equity Shares of Rs. 10/- each | | | |
| Jaiprakash Associates Limited | Holding Company | 271,350,000 | 271,350,000 |
| Preference Shares of Rs. 100/- each | | | |
| Jaiprakash Associates Limited | Holding Company | 29,364,000 | 29,364,000 |

Note 2.4 The shares held by the shareholders more than 5% of the aggregate shares in the company.

| Name of the shareholder | 31st March, 2016 | | 31st March, 2015 | |
|--|--------------------|--------------|--------------------|--------------|
| | No. of shares held | % of holding | No. of shares held | % of holding |
| a. Equity Shares of Rs. 10/- each | | | | |
| Jaiprakash Associates Limited (inclusive of shares held by nominee shareholders) | 271,350,000 | 100 | 271,350,000 | 100 |
| b. Preference Shares of Rs. 100/- each | | | | |
| Jaiprakash Associates Limited | 29,364,000 | 100 | 29,364,000 | 100 |

Note 2.5 Other clauses of Share Capital are not applicable to the company.

| Note 3. Long-term provisions | 31st March, 2016 (Rs.) | 31st March, 2015 (Rs.) |
|---|----------------------------------|----------------------------------|
| Provisions for employee benefits | | |
| Gratuity | 25,650 | 18,278 |
| Leave Encashment | 10,534 | 10,242 |
| | <u>36,184</u> | <u>28,520</u> |
| Note 4. Trade payables | | |
| Due to Micro and Small Enterprises | | 13,023,042 |
| Due to Creditors other than Micro and Small Enterprises | 13,135,175 | 13,023,042 |
| | <u>13,135,175</u> | <u>13,023,042</u> |
| Note 5. Other current liabilities | | |
| Other payables | | |
| Statutory Dues | | 27,908 |
| TDS | 24,550 | |
| PF | 5,767 | 5,647 |
| Others - Related Parties | | 33,555 |
| Others | | 20,310,722 |
| | 21,924,167 | 304,560 |
| | 106,222 | 20,648,837 |
| | <u>22,060,706</u> | <u>20,648,837</u> |
| Note 6. Short-term provisions | | |
| Wealth tax | | 65,110 |
| Provisions for employee benefits | | |
| Gratuity | 3,289 | 71 |
| Leave benefits | 1,566 | 1,512 |
| | 4,855 | 1,583 |
| | 4,855 | 66,693 |
| | <u>4,855</u> | <u>66,693</u> |

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Note 7. Fixed Assets

(In Rs.)

| Particulars | Gross carrying amount | | | Depreciation | | | Net carrying amount | | |
|------------------------|-----------------------|---------------------------------|-------------------|---------------------|------------------|-------------------|---------------------|---------------------|-------------------|
| | As at 01.04.2015 | Additions during the year | Sale/ Transfer | As at 31.03.2016 | For the year | Sale/ Transfer | Upto 31.03.2016 | As at 31.03.2016 | As at 31.03.2015 |
| Tangible Assets | | | | | | | | | |
| Plant & Machinery | 1,359,605 | - | - | 1,359,605 | 98,075 | - | 553,399 | 806,206 | 904,281 |
| Furniture and Fixtures | 2,590,199 | - | - | 2,590,199 | 354,677 | - | 1,641,893 | 948,306 | 1,302,983 |
| Motor Vehicles | 36,190,531 | - | - | 36,190,531 | 6,155,428 | - | 31,191,590 | 4,998,941 | 11,154,369 |
| Office equipments | 3,408,659 | - | - | 3,408,659 | 7,927 | - | 3,246,178 | 162,481 | 170,408 |
| Computers | 3,161,805 | - | - | 3,161,805 | - | - | 3,003,965 | 157,840 | 157,840 |
| Total | 46,710,798 | - | - | 46,710,798 | 6,616,107 | - | 39,637,025 | 7,073,773 | 13,689,880 |
| Previous Year | 46,710,798 | - | - | 46,710,798 | 8,968,064 | - | 33,020,918 | 13,689,880 | |

ML



| | 31st March, 2016 (Rs.) | 31st March, 2015 (Rs.) |
|--|---------------------------|---------------------------|
| 8(a) Capital Work-in-Progress -Tangible | | |
| Vehicles | 292,648 | 292,648 |
| | <u>292,648</u> | <u>292,648</u> |
| <u>8(b) Capital Work-in-Progress - Intangible (Including IEDC)</u> | | |
| (i) Road (Right of way) | 3,409,325,795 | 3,409,325,795 |
| | <u>3,409,325,795</u> | <u>3,409,325,795</u> |
| (ii) Incidental Expenditure During Construction (IEDC) | | |
| Opening Balance | 1,937,432,878 | 1,919,533,698 |
| Employee benefits expenses: | | |
| Salary, Wages and other Benefits | 808,580 | 4,402,864 |
| Contribution to Provident Fund & ESI Expenses | 35,989 | 161,006 |
| Staff Welfare | - | 12,895 |
| Depreciation | 6,616,107 | 8,968,064 |
| Other Expenses | | |
| Rent | 234,000 | 234,000 |
| Rates & Taxes | 12,356 | 86,729 |
| Consultancy and Professional Fee | 81,778 | 249,874 |
| Insurance | 132,681 | 97,754 |
| Travelling & Conveyance | 8,790 | 76,930 |
| Repair & Maintenance | 7,680 | 57,246 |
| Vehicle Running & Maintenance | 366,985 | 3,047,213 |
| Electricity & Power | - | 36,060 |
| Postage and Telephone | 30,641 | 112,336 |
| Printing & Stationery | 2,052 | 100,350 |
| Auditors' Remuneration | | |
| Audit Fee | 229,000 | 224,720 |
| Reimbursement of expenses | 1,862 | 450 |
| Miscellaneous Expenses | 20,103 | 30,689 |
| Total (ii) | <u>1,946,021,483</u> | <u>1,937,432,878</u> |
| Total 8(b) | <u>5,355,347,278</u> | <u>5,346,758,673</u> |
| Carried over to Balance Sheet ((8)a+b) | <u>5,355,639,926</u> | <u>5,347,051,321</u> |

MC



| | 31st March, 2016 (Rs.) | 31st March, 2015 (Rs.) |
|---|---------------------------|---------------------------|
| Note 9. Long Term Loans and Advances (Unsecured, considered good) | | |
| Advance for land purchase | 311,456,868 | 311,456,868 |
| Advance to Suppliers & Others | 10,714,529 | 10,714,529 |
| Security Deposit: | | |
| with Govt. Departments and Public Bodies | 28,375 | 28,375 |
| with Others | 136,100 | 136,100 |
| | <u>322,335,872</u> | <u>322,335,872</u> |
| Note 10. Cash and Cash Equivalents | | |
| Cash and Bank Balances | | |
| Cash in hand | 6,183 | 37,897 |
| Balance with scheduled Banks | | |
| In current accounts | 37,747 | 528,594 |
| | <u>43,930</u> | <u>566,491</u> |
| Note 11. Short Term Loans and Advances (Unsecured, considered good) | | |
| Prepaid expenses | 41,397 | 1,606 |
| Staff Imprest & Advances | 2,022 | 21,922 |
| | <u>43,419</u> | <u>23,528</u> |

Note 12.

In the opinion of Board of Directors, the "Current Assets, Loans and Advances" have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet.

Note 13.

Contingent Liability: Rs. Nil (Previous year: Rs. Nil)

Note 14.

Estimated amount of contracts remaining to be executed on capital account (net of advances): Rs. Nil (Previous Year Rs. Nil).

Note 15.

As per the information available with the Company, the Company has no dues to any supplier as on 31st March, 2016 under the Micro, Small and Medium Enterprise Development Act, 2006 in terms of Notification No. G.S.R. (E) dated 4th September, 2015 issued by the Department of Company Affairs (previous year: Rs. NIL).

MM



Note 16. Related Parties Disclosures as required in terms of "Accounting Standard[AS] – 18" are given below :

(l) Relationships :

(a) Holding Company :

Jaiprakash Associates Limited

(b) Fellow Subsidiary Companies [including their subsidiaries] :

- (i) Jaiprakash Power Ventures Limited.
- (ii) Jaypee Infratech Limited.
- (iii) Jaypee Cement Corporation Limited.
- (iv) Jaypee Fertilizers & Industries Limited.
- (v) Jaypee Agra Vikas Limited.
- (vi) Jaypee Assam Cement Limited
- (vii) Bhilai Jaypee Cement Limited.
- (viii) Gujarat Jaypee Cement & Infrastructure Limited.
- (ix) Himalayan Expressway Limited.
- (x) Himalayaputra Aviation Limited
- (xi) Jaypee Cement Hockey (India) Limited
- (xii) Jaypee Cement Cricket (India) Limited
- (xiii) Jaypee Powergrid Limited (subsidiary of Jaiprakash Power Ventures Limited).
- (xiv) Prayagraj Power Generation Company Limited (subsidiary of Jaiprakash Power Ventures Limited).
- (xv) Sangam Power Generation Company Limited (subsidiary of Jaiprakash Power Ventures Limited).
- (xvi) Jaypee Arunachal Power Limited (subsidiary of Jaiprakash Power Ventures Limited).
- (xvii) Jaypee Meghalaya Power Limited (subsidiary of Jaiprakash Power Ventures Limited).
- (xviii) Himachal Baspa Power Company Limited (subsidiary of Jaiprakash Power Ventures Limited) (Upto 07.09.2015)
- (xix) Bina Power Supply Limited (Formerly known as Himachal Karcham Power Company Limited) (subsidiary of Jaiprakash Power Ventures Limited)
- (xx) Jaypee Healthcare Limited (subsidiary of Jaypee Infratech Limited)
- (xxi) Jaiprakash Agri Initiatives Company Limited (subsidiary of Jaypee Cement Corporation Limited)

Note: Jaypee Sports International Limited ceased to be fellow subsidiary as it was amalgamated into Jaiprakash Associates Limited, effective date 16.10.2015 and appointed date 01.04.2014.

(c) Associate Companies :

- (i) Jaypee Infra Ventures (A private company with unlimited liability)
- (ii) JIL Information Technology Limited (subsidiary of Jaypee Infra Ventures).
- (iii) Jaypee Development Corporation Limited (subsidiary of Jaypee Infra Ventures).
- (iv) Indesign Enterprises Private Limited (subsidiary of Jaypee Infra Ventures)
- (v) Anvi Hotels Private Limited (subsidiary of Jaypee Infra Ventures)
- (vi) Jaypee International Logistics Company Private Limited (subsidiary of Jaypee Infra Ventures).
- (vii) Andhra Cements Limited. (subsidiary of Jaypee Development Corporation Limited).
- (viii) Tiger Hills Holiday Resort Private Limited (subsidiary of Jaypee Development Corporation Limited).
- (ix) Gaur & Nagi Limited (subsidiary of JIL Information Technology Limited).
- (x) Ibonshourne Limited (subsidiary of Indesign Enterprises Private Limited) (w.e.f. 11.01.2016)
- (xi) RPJ Minerals Private Limited
- (xii) Sarveshwari Stone Products Private Limited (subsidiary of RPJ Minerals Private Limited).
- (xiii) Rock Solid Cement Limited (subsidiary of RPJ Minerals Private Limited).
- (xiv) Kanpur Fertilizers & Cement Limited.

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- (xv) Madhya Pradesh Jaypee Minerals Limited.
- (xvi) MP Jaypee Coal Limited.
- (xvii) MP Jaypee Coal Fields Limited.
- (xviii) Jaiprakash Kashmir Energy Limited.
- (xix) Sonebhadra Minerals Private Limited.
- (xx) Jaypee Uttar Bharat Vikas Private Limited.

(II) Transactions carried out with Related Parties in the ordinary course of business.

| (in Rs.) | | |
|------------------------|--------------------------|--------------------------|
| Nature of Transactions | Referred in (a) above | Referred in (b) above |
| Amount Payable | 21,149,167 | 775,000 |
| | (20,310,722) | (-) |

Previous year figures are given in brackets.

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Note 17. (a) Provident Fund - Defined Contribution Plan

All employees are entitled to Provident Fund benefits. Amount debited to Statement of Incidental Expenditure During Construction (IEDC) towards this is Rs. 29,952/- (Previous Year Rs. 1,24,644) during the year.

(b) Gratuity

The liability for Gratuity is provided on the basis of Actuarial Valuation made at the end of each financial year. The Actuarial Valuation is made on Projected Unit Credit method as per AS 15(revised). Jaiprakash Associates Limited {JAL} (the company's holding company) has constituted a Gratuity Fund Trust vide trust deed dated 30th March ,2009 under the name Jaiprakash Associates Employees Gratuity Fund Trust for JAL and its subsidiaries and appointed SBI Life Insurance Co. Ltd for the management of the Trust Funds for the benefits of employees. As a subsidiary of JAL, the company is participating in the Trust Fund by contributing its liability accrued upto the close of each financial year to the Trust Fund.

(c) Leave Encashment - Defined Benefit Plans -

(Rs.)

| Sl.No. | Particulars | 2015-16 | | 2014-15 | |
|--------|--|----------|------------------|-----------|------------------|
| | | Gratuity | Leave Encashment | Gratuity | Leave Encashment |
| | | Funded | Non-funded | Funded | Non-funded |
| I | Expenses recognized in the Statement of Incidental Expenditure During Construction for the Year ended 31st March, 2016 | | | | |
| | 1. Current Service Cost | 8,483 | 2,585 | 7,679 | 3,194 |
| | 2. Interest Cost | 2,261 | 940 | 20,378 | 24,091 |
| | 3. Expected Return on Plan Assets | (921) | - | (7,236) | - |
| | 4. Employee Contribution | - | - | - | - |
| | 5. Actuarial (Gains)/Losses | 767 | (3,179) | (164,413) | 9,768 |
| | 6. Past Service Cost | - | - | - | - |
| | 7. Settlement Cost | - | - | - | - |
| | 8. Total Expenses / Reversal | 10,590 | 346 | (143,592) | 37,053 |
| II | Net Asset/ (Liability) recognized in the Balance Sheet as at 31st March, 2016 | | | | |
| | 1. Present Value of Defined Benefit Obligation | 39,714 | 12,100 | 28,257 | 11,754 |
| | 2. Fair Value of Plan Assets | 10,775 | - | 9,908 | - |
| | 3. Funded Status [Surplus(Deficit)] | (28,939) | (12,100) | (18,349) | (11,754) |
| | 4. Excess of actual over estimated | (54) | - | (852) | - |
| | 5. Net Asset/(Liability) | (28,939) | (12,100) | (18,349) | (11,754) |
| III | Change in Obligation during the Year ended 31st March, 2016 | | | | |
| | 1. Present value of Defined Benefit Obligation at the beginning of the year | 28,257 | 11,754 | 239,744 | 283,428 |
| | 2. Current Service Cost | 8,483 | 2,585 | 7,679 | 3,194 |
| | 3. Interest Cost | 2,261 | 940 | 20,378 | 24,091 |
| | 4. Settlement Cost | - | - | - | - |
| | 5. Past Service Cost | - | - | - | - |
| | 6. Employee Contributions | - | - | - | - |
| | 7. Actuarial (Gains)/Losses | 713 | (3,179) | (165,265) | 9,768 |
| | 8. Benefit Payments | - | - | (74,279) | (308,727) |
| | 9. Present Value of Defined Benefit Obligation at the end of the year | 39,714 | 12,100 | 28,257 | 11,754 |

| Sl.No. | Particulars | 2015-16 | | 2014-15 | |
|--------|--|----------|------------------|----------|------------------|
| | | Gratuity | Leave Encashment | Gratuity | Leave Encashment |
| | | Funded | Non-funded | Funded | Non-funded |
| IV | Change in Assets during the Year ended 31st March, 2016 | | | | |
| | 1. Plan Assets at the beginning of the year | 9,908 | - | 77,803 | - |
| | 2. Settlements | - | - | - | - |
| | 3. Expected return on Plan Assets | 921 | - | 7,236 | - |
| | 4. Contribution by Employer | - | - | - | - |
| | 5. Actual Benefit Paid | - | - | (74,279) | - |
| | 6. Actuarial Gains/ (Losses) | (54) | - | (852) | - |
| | 7. Plan Assets at the end of the year | 10,775 | - | 9,908 | - |
| | 8. Actual Return on Plan Assets | 867 | - | 6,384 | - |
| V | Estimated amount of contribution in the immediate next year | 14,977 | 5,058 | 11,921 | 5,447 |
| VI | Major categories of plan assets (as percentage of total plan assets) | | | | |
| | Funds Managed by Insurer | 100% | - | 100% | - |

(d) Actuarial Assumptions:

- | | |
|-----------------------------|--|
| (i) Discount Rate | 8.00% |
| (ii) Mortality | IALM (2006 - 08) |
| (iii) Turnover Rate | Upto 30 years - 2%, 31-44years - 5%, Above 44 - 3% |
| (iv) Future Salary Increase | 5.50% |

(e) Other details

(Rs.)

| Particulars | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 |
|---|----------|----------|-----------|-----------|-----------|
| Gratuity (Funded) | | | | | |
| a) Present Value of Defined benefit obligation | 39,714 | 28,257 | 239,744 | 514,946 | 633,304 |
| b) Fair value of Plan Assets | 10,775 | 9,908 | 77,803 | 3,295 | 64,035 |
| c) Surplus/(Deficit) in the plan | (28,939) | (18,349) | (161,941) | (511,651) | (569,269) |
| d) Experience Gains / (Losses) on plan liabilities: | (713) | 168,020 | 224,725 | 188,280 | 79,586 |
| e) Experience Gains / (Losses) on plan assets: | (54) | (852) | - | (2,591) | (1,208) |
| Leave Encashment | | | | | |
| a) Present Value of Defined benefit obligation | 12,100 | 11,754 | 283,428 | 634,839 | 831,713 |
| b) Fair value of Plan Assets | - | - | - | - | - |
| c) Surplus/(Deficit) in the plan | (12,100) | (11,754) | (283,428) | (634,839) | (831,713) |
| d) Experience Gains / (Losses) on plan liabilities: | 3,179 | (8,723) | (13,133) | 203,900 | 218,133 |
| e) Experience Gains / (Losses) on plan assets: | - | - | - | - | - |



Note 18. Figures for the previous year have been regrouped/ recast / rearranged wherever considered necessary to conform to this year's classification.

Note 19. All the figures have been rounded off to the nearest rupee.

As per our report of even date attached to the Financial Statements

For and on behalf of the Board


For R. Nagpal Associates
Chartered Accountants
Firm Registration. No.- 002626N



Ravinder Nagpal
Partner
M.No.: 081594



Place : Noida
Date : 27th May, 2016



Sameer Gaur
Director
DIN: 00009496



Rahul Kumar
Director
DIN: 00020779



Megha Kainth
Company Secretary
M. No. FCS 7639

Jaypee Ganga Infrastructure Corporation Limited

Cash Flow Statement for the year ended 31st March, 2016

| | 2015-16 (Rs.) | 2014-15 (Rs.) |
|--|--------------------|--------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit / (Loss) before tax as per statement of Profit and Loss | | - |
| Adjustment for: | | |
| Increase/ (Decrease) in Trade payable & other liabilities | 1,469,828 | 7,585,768 |
| (Increase)/ Decrease in Short-term loans and advances | (19,891) | 117,855,687 |
| (Increase)/ Decrease in Long-term loans and advances | - | (117,729,382) |
| Net cash flow from operating activities | <u>1,449,937</u> | <u>7,712,073</u> |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Acquisition of fixed assets (including capital work -in- progress) | <u>(1,972,498)</u> | <u>(8,931,116)</u> |
| Net cash used in investing activities | <u>(1,972,498)</u> | <u>(8,931,116)</u> |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| | <u>-</u> | <u>-</u> |
| Net Increase /(decrease) in cash and cash equivalents (A+B+C) | <u>(522,561)</u> | <u>(1,219,043)</u> |
| Cash and cash equivalents at the beginning of the year (Opening balance) | 566,491 | 1,785,534 |
| Cash and cash equivalents at the end of the year (Closing balance) | 43,930 | 566,491 |
| | <u>(522,561)</u> | <u>(1,219,043)</u> |


Note:

1. Cash & Cash Equivalents (as per Note 10 to the Financial Statements)
2. The Cash Flow Statement has been prepared under the Indirect Method as set out in the accounting standard (AS-3) " Cash Flow Statement ".

As per our report of even date attached to the Financial Statements

For and on behalf of the Board

For R. Nagpal Associates
Chartered Accountants
Firm Registration. No.- 002626N



Ravinder Nagpal
Partner
M.No. 081594



Place : Noida
Date : 27th May, 2016



Sameer Gaur
Director
DIN: 00009496


Rahul Kumar
Director
DIN: 00020779


Megha Kainth
Company Secretary
M. No. FCS 7639