

**DIRECTORS' REPORT**

To,  
The Members,

The Directors of your Company are pleased to present the Tenth Annual Report together with the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2017.

**FINANCIAL HIGHLIGHTS**

The financial performance of the Company for the year ended 31<sup>st</sup> March, 2017 is summarised below:

|            |                                      | (Rs. in Crores)        |                        |
|------------|--------------------------------------|------------------------|------------------------|
|            |                                      | Year ended<br>31.03.17 | Year ended<br>31.03.16 |
| <b>(A)</b> | <b>PROFITABILITY</b>                 |                        |                        |
| 1          | Gross Total Revenue                  | 46.94                  | 44.42                  |
| 2          | Total Expenses                       | 68.59                  | 65.16                  |
| 3          | Exceptional/Extra-ordinary Items     | -                      | -                      |
| 4          | Profit/(Loss) before Tax             | (21.65)                | (20.74)                |
| 5          | Profit / (Loss) after Tax            | (21.65)                | (20.75)                |
| 6          | Total Comprehensive Income           | (21.65)                | (20.76)                |
| <b>(B)</b> | <b>LIABILITIES &amp; ASSETS</b>      |                        |                        |
| 1          | Non Current Assets                   | 671.99                 | 687.72                 |
| 2          | Current Assets                       | 2.86                   | 3.38                   |
| 3          | Total Assets (1+2)                   | 674.85                 | 691.10                 |
| 4          | Equity Share Capital                 | 118.09                 | 118.09                 |
| 5          | Other Equity                         | 64.10                  | 85.74                  |
| 6          | Non Current Liabilities              | 390.20                 | 405.59                 |
| 7          | Current Liabilities                  | 102.46                 | 81.68                  |
| 8          | Total Equity & Liabilities (4+5+6+7) | 674.85                 | 691.10                 |

*Note: Figures for the year ended 31<sup>st</sup> March, 2016, as given above have undergone change from the figures mentioned in the Directors' Report of the last year due to implementation of the Indian Accounting Standards (Ind AS).*

**OPERATIONAL HIGHLIGHTS**

Your Company was incorporated as a Special Purpose Vehicle (SPV) for implementing the Zirakpur-Parwanoo Expressway project in the States of Punjab, Haryana and Himachal Pradesh. The Expressway connecting the three states became operational and the toll collection started from 6<sup>th</sup> April, 2012. Being the first in the country with Radio Frequency Identification Device (RFID) technology based electronic toll collection system, the Expressway has provided a seamless travel to long journey road users while saving cost and time.

The highlights of the Company's performance during the year under report, are as under:

- ❖ The revenue from Toll Collection for the year ended 31<sup>st</sup> March, 2017 was Rs. 40.04 crores, as compared to Rs. 37.49 crores for the previous year ended 31<sup>st</sup> March, 2016, higher by approx. 20 %.
- ❖ The Average Annual Daily Traffic (AADT) for the year ended 31<sup>st</sup> March, 2017 was 49000 PCUs, as compared to 46,997 PCUs for the previous year ended 31<sup>st</sup> March, 2016, higher by approx. 6 %.
- ❖ The Average Annual Daily Toll Revenue (AADR) for the year ended 31<sup>st</sup> March, 2017 was Rs. 11.71 Lacs, as compared to Rs. 10.25 Lacs for the previous year ended 31<sup>st</sup> March, 2016, higher by approx. 22 %.

During the fifth year of commercial operations, the Company has shown an improved performance over the previous years.

Except as disclosed elsewhere in this report, no material changes and commitments have occurred after the close of the financial year 2016-17, till the date of this Report, which may affect the financial position of the Company.

#### **INDIAN ACCOUNTING STANDARDS**

The Ministry of Corporate Affairs (MCA) vide its notification in the Official Gazette dated 16<sup>th</sup> February, 2015 has issued Companies (Indian Accounting Standards) Rules, 2015, according to which certain class of companies which inter-alia includes subsidiaries of all listed companies whose accounting period begins on or after 1<sup>st</sup> April, 2016, are required to comply with the Indian Accounting Standards (Ind AS). Accordingly, the Financial Statements of the Company for the Financial Year 2016-17 have been prepared as per Ind AS.

#### **DIVIDEND**

Keeping in view the losses during the year under review and the need to conserve resources of the Company, no dividend has been recommended by the Board.

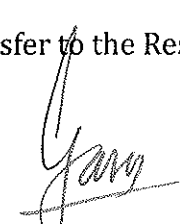
#### **SHARE CAPITAL**

During the year under report, there was no change in the Share Capital of the Company. As on 31<sup>st</sup> March, 2017, the Authorised Share Capital was Rs. 150,00,00,000 (Rupees One Hundred Fifty Crores only) and the Paid-up Share Capital was Rs. 118,09,00,000 (Rupees One Hundred Eighteen Crores Nine Lacs only) divided into 11,80,90,000 Equity Shares of Rs. 10/- each.

During the year under report, your Company did not issue shares under any employee stock option schemes, sweat equity shares or any equity shares with differential rights, as to dividend, voting or otherwise. Further, the Company did not buy back its own securities, during the said period under report.

#### **TRANSFER TO RESERVES**

Due to absence of profits, no amount was proposed for transfer to the Reserves.

## **NON- CONVERTIBLE DEBENTURES**

As on 31<sup>st</sup> March, 2017, the Redeemable, Secured, Non Convertible Debentures (NCDs) of the Company stood at Rs. 47.80 crores, comprising of 4780 NCDs of face value of Rs. 1,00,000 each, issued and allotted to India Infradebt Ltd. for refinancing a part of the Company's outstanding debt availed from ICICI Bank Ltd.

The Debenture Trustee for the said Debentures is IDBI Trusteeship Services Ltd., Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400001, Maharashtra.

## **DIRECTORATE AND KEY MANAGERIAL PERSONNEL**

### Changes in the Board

- ❖ Shri Sameer Gaur, Non-Executive Director resigned from Board w.e.f 1<sup>st</sup> September, 2016. The Board places on record its sincere appreciation for his valuable contribution during his long association as Director of the Company.
- ❖ Shri Har Prasad, Non-Executive Director resigned from Board w.e.f 31<sup>st</sup> August, 2016 (A.N.). The Board places on record its sincere appreciation for his valuable contribution during his association as Director of the Company.
- ❖ In accordance with the provisions of the Companies Act, 2013, Smt. Anjali Jain, shall retire by rotation and is eligible for reappointment at the ensuing Annual General Meeting.

### Meetings of the Board

The Board of Directors met four times on 27<sup>th</sup> May, 2016; 21<sup>st</sup> September, 2016; 28<sup>th</sup> December, 2016 and 28<sup>th</sup> March, 2017, during the year under report. The intervening gap between any two consecutive Board Meetings was within the period prescribed under the Companies Act, 2013.

### Declaration of Independent Directors

The Company has received declaration from the Independent Directors confirming that they meet the criteria of Independence, as stipulated under Section 149(6) of the Companies Act, 2013.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Based on internal financial controls, works performed by statutory, internal and secretarial Auditors, the review performed by the management and with concurrence of the Audit Committee, pursuant to Section 134(5) of the Companies Act, 2013, the Board, confirms for the year ended 31<sup>st</sup> March, 2017, having:

- (a) Followed in the preparation of the annual accounts, the applicable accounting standards with proper explanation for any material departures;
- (b) Selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the losses of the Company for the year ended on that date.



- (c) Taken proper and sufficient care 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) Prepared the annual accounts on a 'going concern' basis; and
- (e) Devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **AUDIT COMMITTEE**

During the year under review, due to resignation of Shri Sameer Gaur as Director from the Board and consequent cessation of his membership from the Committee, the Audit Committee was reconstituted. As on 31<sup>st</sup> March, 2017, the reconstituted Audit Committee comprised of Shri Sham Lal Mohan as Chairman; and Shri Kuldeep Chand Ganjwal and Smt. Anjali Jain as Members.

The Audit Committee discharges responsibilities, as per terms of reference envisaged under Section 177 of the Companies Act, 2013 along with such matters, as may be referred to it by the Board.

#### **NOMINATION AND REMUNERATION COMMITTEE**

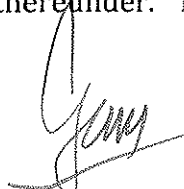
During the year under review, due to resignation of Shri Sameer Gaur as Director from the Board and consequent cessation of his membership from the Committee, the Nomination and Remuneration Committee was reconstituted. As on 31<sup>st</sup> March, 2017, the reconstituted Nomination and Remuneration Committee comprised of Shri Kuldeep Chand Ganjwal as Chairman; and Shri Sham Lal Mohan and Shri Kailash Chander Batra as Members.

The Nomination and Remuneration Committee discharges responsibilities, as per terms of reference envisaged under Section 178 of the Companies Act, 2013 along with such matters, as may be referred to it by the Board.

#### **NOMINATION AND REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee adopted a policy for selection and appointment of Directors, Senior Management and their remuneration. Brief features of the said Policy are:

- ❖ Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director;
- ❖ Nomination and Remuneration Committee shall identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions;
- ❖ While selecting Independent Directors, the Nomination and Remuneration Committee shall identify persons of integrity who possess relevant expertise and experience required for the position;
- ❖ The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of the Board or Committee thereof, an amount as may be approved by the Board of Directors within the limits prescribed under the Companies Act, 2013 and the Rules made thereunder. The sitting fees for



Independent Directors and Women Directors shall not be less than the sitting fee payable to other directors;

- ❖ The Company shall reimburse actual expenses incurred by the Directors in the performance of their duties as per the rules and policies of the Company.
- ❖ An Independent Director shall not be entitled to any stock option of the Company;
- ❖ Other employees of the Company shall be paid remuneration as per the Company's HR policies. The break-up of the pay scale and quantum of perquisites shall be as per the Company's HR policy;
- ❖ Remuneration of other employees shall be reviewed / decided on an annual basis or earlier if deemed necessary, based on performance appraisal of individual employee, taking into account factors such as job profile, qualifications, seniority, experience, performance and their roles and duties in the organisation.
- ❖ The age, term of appointment and retirement of Managing Director/ Whole-time Director shall be determined in accordance with the provisions of the Companies Act, 2013 read with Rules made thereunder;
- ❖ Managing Director/Whole-time Director and Key Managerial Personnel shall be paid remuneration within the overall limit prescribed under the Companies Act, 2013 and the Rules made thereunder, as recommended by the Nomination and Remuneration Committee, subject to the approval of the Board.

#### **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, formal evaluation of the performance of the Board, its Committees and individual Directors was carried out by the Board of Directors for the year 2016-17, on the criteria and framework adopted by the Board.

The Board of Directors evaluated the performance of the Board, as a whole and of its Committees after seeking inputs from the Directors and from the members of the Committee(s) respectively, on the composition and structure, effectiveness of processes, information and functioning, etc. Further, the Board (excluding the Director being evaluated) evaluated the performance of individual directors on criteria such as participation/ contribution at the Board/Committee Meetings; general understanding of the Company's business dynamics etc. The Board noted satisfactory performance of the Board, its Committees and the individual Directors.

#### **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

No contract/arrangement was entered into with related parties during the financial year under report. All Related Party Transactions during the financial year under report were in ordinary course of business and on arm's length basis and were not considered material. Form AOC- 2, pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is annexed as **ANNEXURE I** to this Report.

Disclosure in respect of transactions with related parties, as required under the Indian Accounting Standard (Ind AS) – 24, is set out in Note No. 38 of the accompanying Financial Statements.



## AUDITORS AND AUDITORS' REPORT

### Statutory Auditors

M/s Kishore & Kishore, Chartered Accountants, were appointed as Statutory Auditors of the Company in the 7<sup>th</sup> Annual General Meeting (AGM), for a term of five consecutive years to hold office till the conclusion of the 12<sup>th</sup> AGM to be held in the year 2019. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of M/s Kishore & Kishore, Chartered Accountants as Statutory Auditors of the Company, is placed for ratification by the shareholders at the ensuing AGM and has been included in the Notice of the 10<sup>th</sup> AGM of the Company. In this regard, the Company has received a certificate from the auditors, certifying that they fulfill the criteria prescribed under the Companies Act, 2013.

The Notes to financial statements referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments. The Auditors' Report on financial statements for the financial year ended 31<sup>st</sup> March, 2017, does not contain any qualification, reservation or adverse remark. The emphasis of matter in the Auditor's Report is self explanatory.

During the year under report, no frauds were reported by the Auditors under Section 143 (12) of the Companies Act, 2013.

### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s VLA & Associates, Company Secretaries were appointed as Secretarial Auditors to conduct the secretarial audit of the Company for the financial year 2016-2017.

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2017 is annexed as **Annexure II** to this Report. The said Report does not contain any qualification, reservation or adverse remark requiring explanation or comment by the Board.

Based on the recommendations of the Audit Committee, the Board has re-appointed M/s VLA & Associates, Company Secretaries to undertake the secretarial audit of the Company for the financial year 2017-18.

### Internal Auditors

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, M/s Ashish Sharma & Associates, Chartered Accountants were appointed as the Internal Auditors to conduct the internal audit of the Company for the financial year 2016-17.

Based on the recommendations of the Audit Committee, the Board has re-appointed M/s Ashish Sharma & Associates, Chartered Accountants to undertake the internal audit of the Company for the financial year 2017-18.

## **INTERNAL FINANCIAL CONTROLS**

The Company has in place an adequate internal financial controls system over financial reporting and such internal financial controls were operating effectively during the period under report, for ensuring orderly and efficient conduct of the business of the Company in all material respects.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, as amended, is annexed as **Annexure III** to this Report.

## **LOANS, GUARANTEES AND INVESTMENTS**

The Company did not give any loan, guarantee or provide any security, or make any investment, during the period under report.

## **RISK MANAGEMENT**

The Board of Directors is responsible for identifying, evaluating and managing all significant risks and uncertainties that can impact the Company. The Risk Management Policy, as approved and adopted by the Board alongwith the Company's overall Risk Management System and processes thereto, govern how the associated risks are identified, managed and addressed.

## **VIGIL MECHANISM**

The Company has, in terms of the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, formulated a Vigil Mechanism Policy and established a vigil mechanism for directors and employees to report their genuine concerns/ grievances about any suspected or actual misconduct/ malpractice/ fraud/ unethical behavior without fear of intimidation or retaliation, to the Chief Executive Officer or in exceptional cases to the Chairman of the Audit Committee.

## **CORPORATE SOCIAL RESPONSIBILITY**

Since the Company does not come within the ambit of the eligibility criteria mentioned under Section 135(1) of the Companies Act, 2013, provisions relating to Corporate Social Responsibility do not apply to the Company.

## **DEPOSITS**

The Company did not invite/accept/renew any amounts falling within the purview of the provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014, during the year under report.

## EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, the extract of Annual Return (in Form MGT-9) for the financial year ended 31<sup>st</sup> March, 2017, is annexed as **Annexure IV** to this Report.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Companies Act, 2013, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing details of employees is annexed as **Annexure V** to this Report.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS & COURTS

During the year under report, no significant and material orders impacting the going concern status of the Company and its operations in future were passed by the Regulators or Courts or Tribunals.

## EMPLOYEE RELATIONS AND PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE


The employee relations continued to be cordial throughout the year. Your Directors wish to place on record their sincere appreciation for the excellent spirit with which the entire team of the Company performed.

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder. During the year under report, no complaints were received by the Company.

## ACKNOWLEDGEMENT

The Board places on record its sincere appreciation and gratitude to the Central Government and the Governments of Punjab, Haryana and Himachal Pradesh and other Departments of Central and State Governments, the National Highways Authority of India (NHAI), Financial Institutions, Banks and all other authorities for their valued support and continued co-operation provided to the Company during the year under report. Your Directors also wish to place on record their sincere appreciation for the contribution of the employees at all levels.

For and on behalf of the Board of Directors

  
Alok Gaur  
Whole-time Director & CEO  
(DIN: 00112520)

  
Kailash Chander Batra  
Director  
(DIN: 02506465)

Place: New Delhi  
Date: 28<sup>th</sup> May, 2017

**FORM NO. AOC-2**  
**(Pursuant to clause (h) 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 arm's length transactions under third proviso thereto

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

| Sl. No | Particulars   | Details |
|--------|---|---------|
| a      | Name(s) of the related party and nature of relationship   | N.A     |
| b      | Nature of contracts/arrangements/transactions   | N.A     |
| c      | Duration of the contracts / arrangements/transactions   | N.A     |
| d      | Salient terms of the contracts or arrangements or transactions including the value, if any                        | N.A     |
| e      | Justification for entering into such contracts or arrangements or transactions                                    | N.A     |
| f      | Date(s) of approval by the Board  | N.A     |
| g      | Amount paid as advances, if any   | N.A     |
| h      | Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 | N.A     |

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

| Sl. No | Particulars  | Details |
|--------|--|---------|
| a      | Name(s) of the related party and nature of relationship                                    | N.A     |
| b      | Nature of contracts/arrangements/transactions  | N.A     |
| c      | Duration of the contracts / arrangements/transactions                                      | N.A     |
| d      | Salient terms of the contracts or arrangements or transactions including the value, if any | N.A     |
| e      | Date(s) of approval by the Board, if any   | N.A     |
| f      | Amount paid as advances, if any  | N.A     |

For and on behalf of the Board of Directors

Alok Gaur

Whole-time Director & CEO  
(DIN: 00112520)

Kailash Chander Batra  
Director  
(DIN: 02506465)

Place: New Delhi  
Date: 28<sup>th</sup> May, 2017

**VLA & ASSOCIATES****COMPANY SECRETARIES**

Form No. MR-3

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**HIMALYAN EXPRESSWAY LIMITED**  
CIN: U45400HR2007PLC036891  
Kalka Sadan, Kalka Shimla Road,  
P. O. Pinjore, Kalka  
Haryana-134102

Sir,

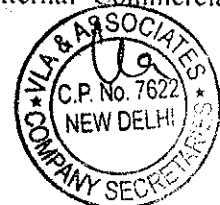
I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Himalyan Expressway Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating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

Based on my verification of the **Company's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2017** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - **Not applicable to the Company during the audit period.**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable to the Company during the audit period.**

Page 1 of 3



**A-233, Ground Floor, Bunkar Colony, Ashok Vihar Phase IV, Delhi-110052**

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M : +91-9990665208 E : vloconsultant@gmail.com / vlaassociate@gmail.com

- v. The Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the Rules, Regulations and Guidelines prescribed thereunder. - **Not Applicable to the Company during the audit period as the Company is an unlisted Company.**
- vi. Other laws as applicable specifically to the industry to which the Company belongs, as identified by the management, that is to say;
1. Indian Tolls Act, 1851
  2. Selection, Installation and Maintenance of First-Aid Fire Extinguishers-Code of Practice (Fourth Revision)
  3. Haryana Fire Service Act, 2009
  4. Punjab Fire Prevention & Fire Safety Act, 2004
  5. Punjab Water Supply and Sewerage Board Act, 1976
  6. National Highways Act, 1956
  7. Control of National Highways (Land and Traffic) Act, 2002

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India, as notified by the Ministry of Corporate Affairs w.e.f. 1<sup>st</sup> July, 2015. and
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not applicable as the Company is an unlisted Company.**

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

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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



Majority decision is carried through and there were no dissenting members' on any resolution.

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

**I further report that** during the period under review, the following important events/actions having bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards were taken:

1. During the period under review, 113 Non-Convertible Debentures (NCDs) of Rs. 1 Lac each were redeemed in accordance with the terms of issue of the said NCDs.

For VLA & Associates  
Company Secretaries

*Vishal Aggarwal*



Vishal Lochan Aggarwal  
Proprietor  
FCS No.: 7241  
C. P. No.: 7622

Place: New Delhi  
Date: 17.05.2017

This report is to be read with my letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

*CBR/A*

*Gaur*

Annexure - A

To,  
The Members,  
**HIMALYAN EXPRESSWAY LIMITED**  
**CIN: U45400HR2007PLC036891**  
Kalka Sadan, Kalka Shimla Road,  
P. O. Pinjore, Kalka  
Haryana-134102

Sir,

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records and other records under the scope/ambit of Secretarial Audit (hereinafter called 'Record') is the responsibility of the management of the Company. My responsibility is to express an opinion on these records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For VLA Associates  
Company Secretaries

*Vishal Aggarwal*  
Vishal Lochan Aggarwal

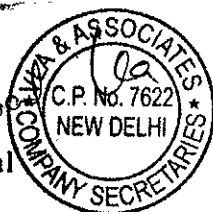
Proprietor

FCS No.: 7241

C P No.: 7622

Place: New Delhi

Date: 17.05.2017



*CBNA*

*Gang*

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND  
FOREIGN EXCHANGE EARNINGS AND OUTGO**  
(Pursuant to clause (m) of sub-section (3) of Section 134 of the Act  
and Rule 8(3) of the Companies (Accounts) Rules, 2014)

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**A. Conservation of energy:****(i) the steps taken or impact on conservation of energy:**

The Company is not a power intensive Company. It is however committed to making continuous efforts towards conserving energy. Small improvements to the existing setup at Toll Plaza/building thereat are made, impact of which is listed hereinbelow:

- By having energy efficient lights with better optics, appropriate lux level is achieved, thus resulting in recurring energy conservation.
- By reducing the number of electrical points provided in the building of toll plaza and maintaining minimum permissible lux level in rooms has cut down electricity consumption.
- The toll plaza tunnel has energy efficient tube light fixtures and common areas are illuminated with CFL/LeD lights instead of conventional lamps, paving the way for consistent energy saving throughout the year.

**(ii) The steps taken by the Company for utilizing alternate sources of energy: Nil****(iii) The capital investment on energy conservation equipments: Nil****B. Technology Absorption:****(i) The efforts made towards technology absorption**

- Electronic Toll Collection system was implemented at the Toll Plaza to cater to the traffic at the Expressway.
- Smart Card readers were installed at the Toll Plaza.

**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution;**

Implementation and adoption of the above technology helped reduce time and cost for the travelers.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Nil**

- a) The details of technology imported;
- b) The year of import;
- c) Whether the technology been fully absorbed;
- d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and


**(iv) the expenditure incurred on Research and Development: Nil****C. Foreign exchange earnings and outgo:**

There were no foreign exchange earnings and outgo during the year under report.

For and on behalf of the Board of Directors

  
Alok Gaur

Whole-time Director & CEO  
(DIN: 00112520)

  
Kailash Chander Batra  
Director  
(DIN: 02506465)

Place: New Delhi

Date: 28<sup>th</sup> May, 2017

## ANNEXURE IV

**Form No. MGT- 9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31.03.2017**

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

**I. REGISTRATION AND OTHER DETAILS**

|      |   |  |
|------|---|--|
| i)   | CIN   | U45400HR2007PLC036891  |
| ii)  | Registration Date   | 25.05.2007   |
| iii) | Name of the Company   | Himalyan Expressway Limited  |
| iv)  | Category/ Sub-Category of the Company                                     | Company Limited by Shares/<br>Indian Non- Government Company   |
| v)   | Address of the Registered office and contact details                      | Kalka Sadan, Kalka Shimla Road, P.O. Pinjore,<br>Kalka, Haryana - 134102<br>Tel. No. with STD:0172-2520163<br>Fax No.: 0172-6537163<br>E-mail: sectl.dept@jalindia.co.in   |
| vi)  | Whether Listed Company  | No   |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | M/s Alankit Assignments Limited<br>205-208, Anarkali Complex, Jhandewalan<br>Extension, New Delhi- 110055<br>Tel. No.: +91-11-42541234 / 23541234<br>Fax No.: +91-11- 23552001<br>E-mail: info@alankit.com<br>Website: www.alankit.com |

**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:-

| S.No. | Name and Description of main products/services | NIC Code of the Product/service | % to total turnover of the Company |
|-------|--|---------------------------------|------------------------------------|
| 1.    | Toll Fee                                       | 421                             | 100%                               |
|       |  |                                 |                                    |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

| S. No | Name and Address of the Company  | CIN                   | Holding / Subsidiary /Associate | % of shares held | Applicable Section |
|-------|--|-----------------------|---------------------------------|------------------|--------------------|
| 1     | Jaiprakash Associates Limited<br><br>Sector-128, Noida- 201304<br>District - Gautam Budh Nagar | L14106UP1995PLC019017 | Holding Company                 | 100%*            | 2 (46)             |

\*includes 600 equity shares held by 6 nominees of Jaiprakash Associates Ltd. (JAL), holding 100 equity shares each on behalf of and for the benefit of JAL

**HIMALYAN EXPRESSWAY LIMITED**

**IV. SHAREHOLDING PATTERN (Equity Share Capital breakup as percentage of Total Equity)**

**(i) Category - wise Shareholding**

| CATEGORY CODE | CATEGORY OF SHAREHOLDERS                  | NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR<br>AS ON 01.04.2016 |          |           |                   | NO. OF SHARES HELD AT THE END OF THE YEAR AS ON<br>31.03.2017 |          |           |                   | % CHANGE DURING THE YEAR |
|---------------|---|---|----------|-----------|-------------------|---|----------|-----------|-------------------|--------------------------|
|               |   | DEMAT   | PHYSICAL | TOTAL     | % OF TOTAL SHARES | DEMAT   | PHYSICAL | TOTAL     | % OF TOTAL SHARES |                          |
| (I)           | (II)                                      | (III)   | (IV)     | (V)       | (VI)              | (VII)   | (VIII)   | (IX)      | (X)               | (XI)                     |
|               | (A) PROMOTERS                             |   |          |           |                   |   |          |           |                   |                          |
|               | (1) INDIAN                                |   |          |           |                   |   |          |           |                   |                          |
|               | (a) Individual/HUF*                       | 0   | 600      | 600       | 0.00              | 0   | 600      | 600       | 0.00              | 0.00                     |
|               | (b) Central Government                    | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (c) State Government(s)                   | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (d) Bodies Corporate                      | 118089400   | 0        | 118089400 | 100.00            | 118089400   | 0        | 118089400 | 100.00            | 0.00                     |
|               | (e) Banks/Financial Institutions          | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (f) Any Other                             | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | Sub-Total A(1)                            | 118089400   | 600      | 118090000 | 100.00            | 118089400   | 600      | 118090000 | 100.00            | 0.00                     |
| (2)           | FOREIGN                                   |   |          |           |                   |   |          |           |                   |                          |
|               | (a) NRIs- Individuals                     | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (b) Other- Individuals                    | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (c) Bodies Corporate                      | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (d) Banks/Financial Institutions          | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (e) Any other                             | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | Sub-Total A(2)                            | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | Total Promoter Shareholding (A)=A(1)+A(2) | 118089400   | 600      | 118090000 | 100.00            | 118089400   | 600      | 118090000 | 100.00            | 0.00                     |
| (B)           | PUBLIC SHAREHOLDING                       |   |          |           |                   |   |          |           |                   |                          |
|               | (1) INSTITUTIONS                          |   |          |           |                   |   |          |           |                   |                          |
|               | (a) Mutual Funds                          | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (b) Banks/ Financial Institutions         | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (c) Central Government                    | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (d) State Government(s)                   | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (e) Venture Capital Funds                 | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (f) Insurance Companies                   | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (g) Foreign Institutional Investors       | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (h) Foreign Venture Capital Funds         | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | (i) Others                                | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |
|               | Sub-Total B(1)                            | 0   | 0        | 0         | 0.00              | 0   | 0        | 0         | 0.00              | 0.00                     |

| CATEGORY CODE | CATEGORY OF SHAREHOLDERS   | NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR AS ON 01.04.2016 |          |           |                   | NO. OF SHARES HELD AT THE END OF THE YEAR AS ON 31.03.2017 |          |           |                   | % CHANGE DURING THE YEAR |
|---------------|--|--|----------|-----------|-------------------|--|----------|-----------|-------------------|--------------------------|
|               |  | DEMAT  | PHYSICAL | TOTAL     | % OF TOTAL SHARES | DEMAT  | PHYSICAL | TOTAL     | % OF TOTAL SHARES |                          |
| (I)           | (II)   | (III)  | (IV)     | (V)       | (VI)              | (VII)  | (VIII)   | (IX)      | (X)               | (XI)                     |
| (2)           | NON-INSTITUTIONS   |  |          |           |                   |  |          |           |                   |                          |
| (a)           | Bodies Corporate   | 0  | 0        | 0         | 0.00              | 0  | 0        | 0         | 0.00              | 0.00                     |
|               | (i) Indian   | 0  | 0        | 0         | 0.00              | 0  | 0        | 0         | 0.00              | 0.00                     |
|               | (ii) Overseas  | 0  | 0        | 0         | 0.00              | 0  | 0        | 0         | 0.00              | 0.00                     |
| (b)           | Individuals  |  |          |           |                   |  |          |           |                   |                          |
|               | (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh          | 0  | 0        | 0         | 0.00              | 0  | 0        | 0         | 0.00              | 0.00                     |
|               | (ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 0  | 0        | 0         | 0.00              | 0  | 0        | 0         | 0.00              | 0.00                     |
| (c)           | Others   | 0  | 0        | 0         | 0.00              | 0  | 0        | 0         | 0.00              | 0.00                     |
|               | Sub-Total B(2)   |  |          |           |                   |  |          |           |                   |                          |
|               | Total Public Shareholding (B)=B(1)+B(2)  | 0  | 0        | 0         | 0.00              | 0  | 0        | 0         | 0.00              | 0.00                     |
| (C)           | Shares held by custodian for ADRs & GDRs   | 0  | 0        | 0         | 0.00              | 0  | 0        | 0         | 0.00              | 0.00                     |
|               | GRAND TOTAL (A+B+C)  | 118089400  | 600      | 118090000 | 100.00            | 118089400  | 600      | 118090000 | 100.00            | 0.00                     |

\*Beneficial Interest in shares is held by Jaiprakash Associates Ltd., the Holding Company

*CPA*

*[Signature]*

**HIMALYAN EXPRESSWAY LIMITED**  
**IV. SHAREHOLDING PATTERN (Equity Share capital breakup as percentage of Total Equity)**

**(ii) Shareholding of Promoters**

| SL. NO. | SHAREHOLDERS' NAME         | SHAREHOLDING AT THE BEGINNING OF THE YEAR AS ON 01.04.2016 |                                  |  | SHAREHOLDING AT THE END OF THE YEAR AS ON 31.03.2017 |                                  |  | % 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 |  |
| (I)     | (II)                       | (III)  | (IV)                             | (V)  | (VI)   | (VII)                            | (VIII)   | (IX)                                     |
| 1       | Jaiprakash Associates Ltd. | 1,18,089,400   | 100                              | 30.00%   | 1,18,089,400   | 100                              | 30.00%   | 0.00                                     |
| 2       | Shri Manoj Gaur*           | 100  | Negligible                       | 0  | 100  | Negligible                       | 0  | 0.00                                     |
| 3       | Shri Sunil Kumar Sharma*   | 100  | Negligible                       | 0  | 100  | Negligible                       | 0  | 0.00                                     |
| 4       | Shri Sameer Gaur*          | 100  | Negligible                       | 0  | 100  | Negligible                       | 0  | 0.00                                     |
| **      | Shri Har Prasad*           | 100  | Negligible                       | 0  | 0  | Nil                              | -  | 0.00                                     |
| 5       | Shri Harish K. Vaid*       | 100  | Negligible                       | 0  | 100  | Negligible                       | 0  | 0.00                                     |
| **      | Shri Shailendra Gupta*     | 100  | Negligible                       | 0  | 0  | Nil                              | -  | 0.00                                     |
| 6**     | Shri Sanjiv Puri*          | 0  | Nil                              | -  | 100  | Negligible                       | 0  | 0.00                                     |
| 7**     | Shri Suren Jain*           | 0  | Nil                              | -  | 100  | Negligible                       | 0  | 0.00                                     |
|         |                            | <b>11,80,90,000</b>  | <b>100</b>                       | <b>30.00%</b>                                  | <b>11,80,90,000</b>                                  | <b>100</b>                       | <b>30.00%</b>                                  | <b>0.00</b>                              |

\*Beneficial Interest in shares is held by Jaiprakash Associates Ltd. (JAL), the Holding Company

\*\*Consequent to change in nomination by JAL, the shares held by Shri Har Prasad and Shri Shailendra Gupta as nominees of JAL were transferred and registered in names of Shri Suren Jain and Shri Sanjiv Puri respectively, who now hold these shares as nominees of JAL.

**(iii) Change in Promoters' Shareholding**

| SL. NO. | SHAREHOLDERS' NAME         | SHAREHOLDING AT THE BEGINNING OF THE YEAR AS ON 01.04.2016 |                                  | DATE       | INCREASE/DECREASE IN SHAREHOLDING | REASON                     | CUMULATIVE SHAREHOLDING DURING THE YEAR |                                  |
|---------|----------------------------|--|----------------------------------|------------|-----------------------------------|----------------------------|---|----------------------------------|
|         |                            | No. of Shares  | % of total shares of the Company |            |                                   |                            | No. of Shares                           | % of total shares of the Company |
| (I)     | (II)                       | (III)  | (IV)                             | (V)        | (VI)                              | (VII)                      | (VIII)                                  | (IX)                             |
| 1       | Jaiprakash Associates Ltd. | 1,18,089,400   | 100                              | -          | No Change                         | -                          | 1,18,089,400                            | 100                              |
| 2       | Shri Manoj Gaur*           | 100  | Negligible                       | -          | No Change                         | -                          | 100                                     | Negligible                       |
| 3       | Shri Sunil Kumar Sharma*   | 100  | Negligible                       | -          | No Change                         | -                          | 100                                     | Negligible                       |
| 4       | Shri Sameer Gaur*          | 100  | Negligible                       | -          | No Change                         | -                          | 100                                     | Negligible                       |
| 5       | Shri Har Prasad*           | 100  | Negligible                       | 28.03.2017 | Decrease                          | Change in Nominee of JAL** | 0                                       | -                                |
| 6       | Shri Harish K. Vaid*       | 100  | Negligible                       | -          | No Change                         | -                          | 100                                     | Negligible                       |
| 7       | Shri Shailendra Gupta*     | 100  | Negligible                       | 27.05.2016 | Decrease                          | Change in Nominee of JAL** | 0                                       | -                                |
| 8       | Shri Sanjiv Puri*          | 0  | Nil                              | 27.05.2016 | Increase                          | Change in Nominee of JAL** | 100                                     | Negligible                       |
| 9       | Shri Suren Jain*           | 0  | Nil                              | 28.03.2017 | Increase                          | Change in Nominee of JAL** | 100                                     | Negligible                       |
|         |                            | <b>11,80,90,000</b>  | <b>100</b>                       |            |                                   |                            | <b>11,80,90,000</b>                     | <b>100</b>                       |

\*Beneficial Interest in shares is held by Jaiprakash Associates Ltd. (JAL), the Holding Company

\*\*Consequent to change in nomination by JAL, the shares held by Shri Har Prasad and Shri Shailendra Gupta as nominees of JAL were transferred and registered in names of Shri Suren Jain and Shri Sanjiv Puri respectively, who now hold these shares as nominees of JAL.

*Chit*

*[Signature]*

**HIMALYAN EXPRESSWAY LIMITED**  
**IV. SHAREHOLDING PATTERN (Equity Share capital breakup as percentage of Total Equity)**

**(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 AS ON 01.04.2016 |                                  | CUMULATIVE SHAREHOLDING DURING THE YEAR |                                  |
|---------|---|--|----------------------------------|---|----------------------------------|
|         |   | No. of Shares  | % of total shares of the Company | No. of Shares                           | % of total shares of the Company |
| (I)     | (II)  | (III)  | (IV)                             | (V)                                     | (VI)                             |
|         | At the beginning of the year  |  |                                  |   |                                  |
|         | Date wise Increase/ Decrease in shareholding during the year specifying the reasons for increase/decrease | Not Applicable   |                                  |   |                                  |
|         | At the end of the year  |  |                                  |   |                                  |

**(v) Shareholding of Directors and Key Managerial Personnel**

| SL. NO. | NAME OF DIRECTORS AND KEY MANAGERIAL PERSONNEL | SHAREHOLDING AT THE BEGINNING OF THE YEAR AS ON 01.04.2016 |                                  | DATE | INCREASE/ DECREASE IN SHAREHOLDING | REASON | CUMULATIVE SHAREHOLDING DURING THE YEAR |                                  |
|---------|--|--|----------------------------------|------|------------------------------------|--------|---|----------------------------------|
|         |  | No. of Shares  | % of total shares of the Company |      |                                    |        | No. of Shares                           | % of total shares of the Company |
| (I)     | (II)   | (III)  | (IV)                             | (V)  | (VI)                               | (VII)  | (VIII)                                  | (IX)                             |
| 1       | Shri Alok Gaur, Whole-time Director & CEO      | 0  | 0                                | -    | No Change                          | -      | 0                                       | 0                                |
| 2       | Smt. Anjali Jain, Director                     | 0  | 0                                | -    | No Change                          | -      | 0                                       | 0                                |
| 3       | Shri K. C. Batra, Director                     | 0  | 0                                | -    | No Change                          | -      | 0                                       | 0                                |
| 4       | Shri K. C. Ganjwal, Independent Director       | 0  | 0                                | -    | No Change                          | -      | 0                                       | 0                                |
| 5       | Shri S. L. Mohan, Independent Director         | 0  | 0                                | -    | No Change                          | -      | 0                                       | 0                                |
| 6       | Shri A. K. Singh, Chief Financial Officer      | 0  | 0                                | -    | No Change                          | -      | 0                                       | 0                                |
| 7       | Smt. Pallavi Vardhan, Company Secretary        | 0  | 0                                | -    | No Change                          | -      | 0                                       | 0                                |





## HIMALYAN EXPRESSWAY LIMITED

## V) INDEBTEDNESS

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

(Amount in Rs.)

| Sl. No    | Particulars   | Secured Loans<br>excluding deposits | Unsecured Loans*    | Deposits | Total Indebtedness   |
|-----------|---|-------------------------------------|---------------------|----------|----------------------|
| <b>A)</b> | <b>Indebtedness at the beginning of the financial year (as on 01.04.2016)</b> |                                     |                     |          |                      |
|           | i) Principal Amount   | 2,931,825,059                       | 656,200,000         |          | 3,588,025,059        |
|           | ii) Interest due but not paid   |                                     |                     |          | -                    |
|           | iii) Interest accrued but not due   | 999,473                             |                     |          | 999,473              |
|           | <b>Total (i+ii+iii)</b>   | <b>2,932,824,532</b>                | <b>656,200,000</b>  | <b>-</b> | <b>3,589,024,532</b> |
| <b>B)</b> | <b>Change in Indebtedness during the financial year</b>                       |                                     |                     |          |                      |
|           | Addition (B1)   | 484,936,663                         |                     | -        | 484,936,663          |
|           | Reduction (B2)  | 65,844,806                          | 333,200,000         | -        | 399,044,806          |
|           | <b>Net Change (B1- B2)</b>  | <b>419,091,857</b>                  | <b>-333,200,000</b> | <b>-</b> | <b>85,891,857</b>    |
| <b>C)</b> | <b>Indebtedness at the end of the financial year (as on 31.03.2017)</b>       |                                     |                     |          |                      |
|           | i) Principal Amount   | 3,349,239,917                       | 323,000,000         |          | 3,672,239,917        |
|           | ii) Interest due but not paid   |                                     |                     |          | -                    |
|           | iii) Interest accrued but not due   | 2,676,472                           |                     |          | 2,676,472            |
|           | <b>Total (i+ii+iii)</b>   | <b>3,351,916,389</b>                | <b>323,000,000</b>  | <b>-</b> | <b>3,674,916,389</b> |

\* Excluding Loan (Non Convertible Preference share capital)

**HIMALYAN EXPRESSWAY LIMITED**  
**VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

| A. Remuneration to Managing Director, Whole-time Directors and/or Manager |   |                        |  |  | (In Rs.)         |
|---|---|------------------------|--|--|------------------|
| S. No.  | Particulars of Remuneration   | Name of MD/WTD/Manager |  |  | Total            |
|   |   | Shri Alok Gaur         |  |  |                  |
|   |   | WTD & CEO              |  |  |                  |
| 1   | Gross salary  |                        |  |  |                  |
|   | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 7,695,000              |  |  | 7,695,000        |
|   | (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961                      | 743,034                |  |  | 743,034          |
|   | (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961       | -                      |  |  | -                |
| 2   | Stock Option  | -                      |  |  | -                |
| 3   | Sweat Equity  | -                      |  |  | -                |
| 4   | Commission  | -                      |  |  | -                |
|   | - as % of profit  | -                      |  |  | -                |
|   | - others, specify...  | -                      |  |  | -                |
| 5   | Others, please specify - Provident Fund   | 704,700                |  |  | 704,700          |
|   | <b>Total (A)</b>  | <b>9,142,734</b>       |  |  | <b>9,142,734</b> |
|   | Ceiling as per the Act:   |                        |  |  | 24,912,432       |

| B. Remuneration to other Directors |   |                   |                   |                   |                 |                  |                  |       | (In Rs.)          |
|------------------------------------|---|-------------------|-------------------|-------------------|-----------------|------------------|------------------|-------|-------------------|
| S. No.                             | Particulars of Remuneration                 | Name of Directors |                   |                   |                 |                  |                  | Total |                   |
| 1                                  | Independent Directors                       | Shri S.L. Mohan   | Shri K.C. Ganjwal |                   |                 |                  |                  |       |                   |
|                                    | Fee for attending Board/ Committee Meetings | 80,000            | 70,000            |                   |                 |                  |                  |       |                   |
|                                    | Commission                                  | -                 | -                 |                   |                 |                  |                  |       |                   |
|                                    | Others, please specify                      | -                 | -                 |                   |                 |                  |                  |       |                   |
|                                    | <b>Total (1)</b>                            | <b>80,000</b>     | <b>70,000</b>     |                   |                 |                  |                  |       | <b>150,000</b>    |
| 2                                  | Other Non Executive Directors               |                   |                   | #Shri Sameer Gaur | Shri K.C. Batra | ^Shri Har Prasad | Smt. Anjali Jain |       |                   |
|                                    | Fee for attending Board/ Committee Meetings |                   |                   | 30,000            | 50,000          | 10,000           | 40,000           |       |                   |
|                                    | Commission                                  |                   |                   | -                 | -               | -                | -                |       |                   |
|                                    | Others, please specify                      |                   |                   | -                 | -               | -                | -                |       |                   |
|                                    | <b>Total (2)</b>                            |                   |                   | <b>30,000</b>     | <b>50,000</b>   | <b>10,000</b>    | <b>40,000</b>    |       | <b>130,000</b>    |
|                                    | <b>Total (B) = (1+2)</b>                    | <b>80,000</b>     | <b>70,000</b>     | <b>30,000</b>     | <b>50,000</b>   | <b>10,000</b>    | <b>40,000</b>    |       | <b>280,000</b>    |
|                                    | <b>Total Managerial Remuneration*</b>       |                   |                   |                   |                 |                  |                  |       | <b>9,422,734</b>  |
|                                    | Overall Ceiling as per the Act              |                   |                   |                   |                 |                  |                  |       | <b>27,712,432</b> |

Note: \*Total Remuneration to Whole-time Director and other Directors of the Company.

# Shri Sameer Gaur resigned from the Board of Directors w.e.f 1st September, 2016.

^Shri Har Prasad resigned from the Board of Directors w.e.f 31st August, 2016 (A.N.).

| C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD |   |                          |                  |                   | (In Rs.)         |
|---|---|--------------------------|------------------|-------------------|------------------|
| S. No.  | Particulars of Remuneration   | Key Managerial Personnel |                  |                   | Total            |
|   |   | CEO*                     | CFO              | Company Secretary |                  |
| 1   | Gross salary  |                          |                  |                   |                  |
|   | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 |                          | 3231720          | 600,204           | 3,831,924        |
|   | (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961                      |                          | 139000           | 33,850            | 172,850          |
|   | (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961       |                          |                  |                   |                  |
| 2   | Stock Option  |                          |                  |                   |                  |
| 3   | Sweat Equity  |                          |                  |                   |                  |
| 4   | Commission  |                          |                  |                   |                  |
|   | - as % of profit  |                          |                  |                   |                  |
|   | others, specify...  |                          |                  |                   |                  |
| 5   | Others, please specify- Provident Fund  |                          |                  | 24,372            | 24,372           |
|   | <b>Total</b>  |                          | <b>3,370,720</b> | <b>658,426</b>    | <b>4,029,146</b> |

\* Remuneration of CEO is mentioned under VI- A above.




**HIMALYAN EXPRESSWAY LIMITED**  
**VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority [RD/NCLT/Court] | Appeal made, if any (give details) |
|-------------------------------------|------------------------------|-------------------|--|---------------------------|------------------------------------|
| <b>A. Company</b>                   |                              |                   |  |                           |                                    |
| Penalty                             |                              |                   | Nil  |                           |                                    |
| Punishment                          |                              |                   | Nil  |                           |                                    |
| Compounding                         |                              |                   | Nil  |                           |                                    |
| <b>B. Directors</b>                 |                              |                   |  |                           |                                    |
| Penalty                             |                              |                   | Nil  |                           |                                    |
| Punishment                          |                              |                   | Nil  |                           |                                    |
| Compounding                         |                              |                   | Nil  |                           |                                    |
| <b>C. Other Officers in default</b> |                              |                   |  |                           |                                    |
| Penalty                             |                              |                   | Nil  |                           |                                    |
| Punishment                          |                              |                   | Nil  |                           |                                    |
| Compounding                         |                              |                   | Nil  |                           |                                    |

For and on behalf of the Board of Directors

Alok Chaur

Whole-time Director & CEO  
(DIN: 00112520)

Kailash Chander Batra

Kailash Chander Batra  
Director  
(DIN: 02506465)

Place: New Delhi  
Date: 28<sup>th</sup> May, 2017

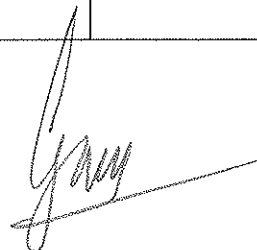
## ANNEXURE V

**Statement of Particulars of Employees**  
**(Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the**  
**Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)**

**A. Top 10 employees in terms of remuneration drawn during the financial year 2016-17**

| S. No. | Name of Employee (Sh/Smt.) | Designation                   | Remuneration Received (In Rs.) | Qualification  | Experience (in Years) | Age (in Years) | Date of commencement of employment | Previous Employment        | % of equity shares held in Company |
|--------|----------------------------|-------------------------------|--------------------------------|--|-----------------------|----------------|------------------------------------|----------------------------|------------------------------------|
| 1.     | Alok Gaur                  | Whole-time Director & CEO     | 91,42,734                      | B.E. (Electrical) from IIT Roorkee                   | 34                    | 54             | March 28, 2015                     | Jaiprakash Associates Ltd. | Nil                                |
| 2.     | Awdhesh Kumar Singh        | Chief Financial Officer       | 33,70,720                      | B.Sc.  | 41                    | 64             | March 28, 2015                     | Jaiprakash Associates Ltd. | Nil                                |
| 3.     | Kanwaljit Singh Sandhu     | Addl. General Manager (Admn.) | 15,14,919                      | B.A.   | 30                    | 52             | February 1, 2008                   | Jaiprakash Associates Ltd. | Nil                                |
| 4.     | Pallavi Vardhan            | Company Secretary             | 6,58,426                       | B.Com, PGDBA (Fin.), F.C.S                           | 9                     | 34             | July 16, 2012                      | Pearl Polymers Ltd.        | Nil                                |
| 5.     | Manish Chaudhary           | Resident Engineer (Civil)     | 5,60,252                       | B.Tech (C)   | 11                    | 36             | July 3, 2012                       | Jaiprakash Associates Ltd. | Nil                                |
| 6.     | Rajnish Saini              | Resident Engineer (Civil)     | 5,39,399                       | DIP. Engg. (C), B.E. (C)                             | 17                    | 38             | July 3, 2012                       | Jaiprakash Associates Ltd. | Nil                                |
| 7.     | Kuldeep Singh              | Chief Draughtsman (Civil)     | 4,77,259                       | 12 <sup>th</sup> , ITI D'MAN (C), DIP. Engg (C) (DE) | 22                    | 44             | July 3, 2012                       | Jaiprakash Associates Ltd. | Nil                                |
| 8.     | Sumeer Chhabra             | Officer (Accounts)            | 4,77,259                       | B.Com  | 19                    | 43             | January 1, 2013                    | Jaiprakash Associates Ltd. | Nil                                |
| 9.     | Deepak Mohan Kaushal       | Officer (Accounts)            | 4,72,909                       | B.Com, M.Com   | 19                    | 42             | July 3, 2012                       | Jaiprakash Associates Ltd. | Nil                                |
| 10.    | Gaurava Kumar Singh        | Field Engineer (Elect.)       | 4,34,929                       | B.tech. (E)  | 7                     | 29             | May 15, 2012                       | Sterling & Wilson Ltd.     | Nil                                |

\*None of the employees is related to any Director of the Company.

- B. Employees who were employed throughout the financial year 2016-17 and were in receipt of remuneration which in the aggregate was not less than Rupees One Crore and Two Lakh - NIL**
- C. Employees who were employed for a part of the financial year 2016-17 and were in receipt of remuneration for any part of that year, at a rate which in the aggregate was not less than Rupees Eight Lakh and Fifty Thousand per month- NIL**
- D. Employees who were employed throughout the financial year 2016-17 or part thereof and were in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company- NIL**


Notes:

1. Gross Remuneration includes Salary, House Rent Allowance and other perquisites like Medical Reimbursement, Leave Travel Assistance, furnishing allowance and Company's Contribution to Provident Fund etc but excludes provision for gratuity and leave encashment.
2. Information about qualifications, total experience and last employment is based on the particulars furnished by the concerned employee.
3. The nature of employment is regular/permanent and is governed as per service rules of the Company. Other terms and conditions of employment are as per the contract/letter of appointment/resolution and rules of the Company.

**For and on behalf of the Board of Directors**

  
**Alok Gaur**

**Whole-time Director & CEO  
(DIN: 00112520)**

  
**Kailash Chander Batra  
Director  
(DIN: 02506465)**

**Place: New Delhi**

**Date: 28<sup>th</sup> May, 2017**

# **HIMALYAN EXPRESSWAY LIMITED**

**BALANCE SHEET AS AT 31.03.2017**

CIN : U45400HR2007PLC036891

Registered Office

Kalka Sadan, Kalka Shimla Road, P.O., Pinjore, Kalka-134102

Haryana, India

## INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS OF HIMALYAN EXPRESSWAY LIMITED

### Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Himalyan Expressway Limited** ("the Company"), which comprises the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and the statement of changes in equity for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred as "Ind AS financial statements").

### Management's Responsibility for the Ind AS 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 and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting the 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 Ind AS 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 Ind AS financial statements based on our audit.

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



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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, including the Ind AS, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017 and its losses, cash flows and the changes in equity for the year ended on that date.

### Emphasis of Matter

We draw attention to the following matter in the Notes no 4 & 28 to the financial statements:

The calculation of depreciation on the toll road has been made keeping the recommendation by Independent Engineer appointed by the NHAI for granting extension for the concession period for 23 days to compensate for suspension of toll collection from 9<sup>th</sup> November 2016 to midnight 2/3<sup>rd</sup> December 2016, which results in charging of depreciation in Profit and Loss Statement at lower value.



## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet , the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 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 control over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in "Annexure B".
  - (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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 29 to the Ind AS financial statements;
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii) The clause for 'no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company' is not applicable to the Company; and
- iv) The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016 and these are in accordance with the books of accounts maintained and as produced to us by the Company. Refer Note 31 to the Ind-AS financial statements.

Place: New Delhi  
Date: 28.05.2017



For Kishore & Kishore  
Chartered Accountants  
Firm Regn. No. : 000291N

  
(CA Anshu Gupta)  
Partner  
M.No. 077891

**HIMALYAN EXPRESSWAY LIMITED**

**"ANNEXURE A" TO INDEPENDENT AUDITOR'S REPORT**

**For the financial year ended 31.03.2017**

(Referred to in our report of even date)

i)

- a. The Company is maintaining 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 at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. In our opinion and according to the information and explanation given to us, the Company has no immovable properties, thus provisions of clause 3 (i)(c) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.

ii) As informed to us, the Company has no inventory at the year end as such, clauses (a) to (c) of the Para 3 (ii) of the Order are not applicable to the Company.

iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

In view of above, Para 3(iii)(a) and (b) of the Order is not applicable.

iv) The Company has not given any loan, investment, guarantee or security covered under the provisions of section 185 and 186 of the Companies Act, 2013. Thus provisions of clause 3 (iv) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.

v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit from the public in terms of section 73 to 76 and other relevant provisions of the Companies Act, 2013, and the Rules framed there under. Thus provisions of clause 3 (v) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.



vi) On the basis of the certificate of cost accountants, the cost sheet/cost records/Performa in respect of the Company's project are being maintained apparently in compliance of sub-section (1) of section 148 of the Companies Act, 2013. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii)

a. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, service-tax, cess, value added tax, employees state insurance and other material statutory dues applicable to it. According to the explanation and information given to us no undisputed amount payable in respect of above mentioned statutory dues were in arrears as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable.

b. According to the information & explanation given to us, the dues of provident fund, employees state insurance, income-tax, value added tax, service-tax, customs-duty, excise-duty and cess that have not been deposited on account of dispute as at 31.03.2017 are as follows:

| Name of Statute                                | Period to which the amount relates | Forum where dispute is pending | Amount not deposited (Rs. Lac)                          |
|--|------------------------------------|--------------------------------|---|
| Income -tax Act. 1965 ( <i>Penalty Order</i> ) | 2013-14                            | CIT (Appeals)                  | 838.89  |
| Income -tax Act. 1965                          | 2012-13                            | High Court                     | 50% of Rs. 43.78 demand i.e Rs. 21.89 is not deposited. |
| Income -tax Act. 1965 ( <i>Penalty Order</i> ) | 2009-10                            | ITAT                           | 55.84   |
| Income -tax Act. 1965 ( <i>Penalty Order</i> ) | 2010-11                            | ITAT                           | 54.61   |
| Income -tax Act. 1965 ( <i>Penalty Order</i> ) | 2011-12                            | ITAT                           | 76.23   |



- viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holder.
- ix) According to the information provided and explanations given to us, no money has been raised by way of initial public offer or further public offer (including debt instruments). However, to the best of our knowledge, the term loans obtained by the Company were applied by it for the purpose for which the loans were obtained.
- x) As per the information provided and explanation given to us, no fraud by or on the Company by its officers or employees has been noticed or reported during the year.
- xi) As per the information provided and explanation given to us, Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- xii) According to the information provided and explanations given to us, the Company is not a Nidhi Company, so the provisions of clause 3 (xii) of the Companies (Auditors Report) Order, 2016, are not applicable
- xiii) According to the information provided and explanations given to us, the Company has made compliance with sections 177 and 188 of Companies Act, 2013, where applicable and the details have been disclosed in the Ind AS financial statements etc., as required under the applicable Accounting standards.
- xiv) According to the information provided and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review so, the requirement of section 42 of the Companies Act, 2013, are not applicable on it; therefore clause 3 (xiv) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.
- xv) In our opinion and according to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him, therefore clause 3 (xv) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.



- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, therefore clause 3 (xvi) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.

Place: New Delhi  
Date: 28.05.2017



For Kishore & Kishore  
Chartered Accountants  
Firm Regn. No. : 000291N

  
(CA Anshu Gupta)  
Partner  
M.No. 077891

**"ANNEXURE B" TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE  
ON THE FINANCIAL STATEMENTS OF Himalyan Expressway Limited ("the  
Company"),**

(Referred to in our report of even date)

**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 Himalyan Expressway Limited ("the Company"), as of March 31, 2017, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). 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 Companies Act, 2013, to the extent 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 judgment, including the assessment of the risks of material misstatement of the Ind AS 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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".



Place: New Delhi  
Date : 28.05.2017

For Kishore & Kishore  
Chartered Accountants  
Firm Regn No. 000291N

(CA Anshu Gupta)  
Partner  
M.No. 077891

**HIMALYAN EXPRESSWAY LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2017**

| Particulars                            | Note No | As at 31st March 2017<br>₹  | As at 31st March 2016<br>₹  | As at 1st April 2015<br>₹   |
|--|---------|-----------------------------|-----------------------------|-----------------------------|
| <b>ASSETS</b>                          |         |                             |                             |                             |
| <b>Non Current Assets</b>              |         |                             |                             |                             |
| Property, Plant and Equipment          | 2       | 8,615,821                   | 11,584,924                  | 15,167,616                  |
| Other Intangible assets                | 3       | 6,680,869,487               | 6,840,094,137               | 6,968,606,118               |
| Capital work in progress               | 4       | 29,783,287                  | 25,096,312                  | 25,096,312                  |
| <b>Financial Assets</b>                |         |                             |                             |                             |
| Other Non Current Financial Assets     | 5       | 578,356                     | 463,235                     | 164,602                     |
| Deferred tax assets (Net)              |         | -                           | -                           | -                           |
| Other non current assets               |         | -                           | -                           | -                           |
|  |         | <u>6,719,846,951</u>        | <u>6,877,238,608</u>        | <u>7,009,034,648</u>        |
| <b>Current Assets</b>                  |         |                             |                             |                             |
| <b>Inventories</b>                     |         |                             |                             |                             |
| <b>Financial Assets</b>                |         |                             |                             |                             |
| (i) Cash and cash equivalents          | 6       | 10,037,782                  | 8,702,003                   | 6,516,101                   |
| (ii) Bank balance other than (i) above | 7       | -                           | -                           | 749,533                     |
| (iii) Loans                            |         | -                           | -                           | -                           |
| (iv) Other Current Financial Assets    | 8       | 3,131,048                   | 3,115,322                   | 3,073,457                   |
| Current Tax assets (Net)               | 9       | 5,758,519                   | 4,731,231                   | 4,780,812                   |
| Other current assets                   | 10      | 9,698,360                   | 17,233,687                  | 21,402,673                  |
|  |         | <u>28,625,709</u>           | <u>33,782,243</u>           | <u>36,522,576</u>           |
| <b>Total Assets</b>                    |         | <u><b>6,748,472,660</b></u> | <u><b>6,911,020,851</b></u> | <u><b>7,045,557,224</b></u> |
| <b>EQUITY AND LIABILITIES</b>          |         |                             |                             |                             |
| <b>Equity</b>                          |         |                             |                             |                             |
| Equity share capital                   | 11      | 1,180,900,000               | 1,180,900,000               | 1,180,900,000               |
| Other equity                           | 12      | 640,981,165                 | 857,456,434                 | 1,065,054,112               |
|  |         | <u>1,821,881,165</u>        | <u>2,038,356,434</u>        | <u>2,245,954,112</u>        |
| <b>Liabilities</b>                     |         |                             |                             |                             |
| <b>Non Current Liabilities</b>         |         |                             |                             |                             |
| <b>Financial Liabilities</b>           |         |                             |                             |                             |
| (i) Borrowings                         | 13      | 3,108,239,272               | 3,197,751,548               | 3,234,901,470               |
| (ii) Other financial liabilities       | 14      | 34,179,275                  | 30,612,535                  | 27,455,189                  |
| Provisions                             | 15      | 1,889,354                   | 969,784                     | 289,614                     |
| Deferred tax liabilities (Net)         |         | -                           | -                           | -                           |
| Other non current liabilities          | 16      | 757,682,798                 | 826,563,052                 | 895,443,306                 |
|  |         | <u>3,901,990,699</u>        | <u>4,055,896,919</u>        | <u>4,158,089,579</u>        |
| <b>Current Liabilities</b>             |         |                             |                             |                             |
| <b>Financial Liabilities</b>           |         |                             |                             |                             |
| (i) Short Term Borrowings              | 17      | 605,086,537                 | 67,521,805                  | 37,634,335                  |
| (ii) Other financial liabilities       | 17      | 335,380,861                 | 666,254,448                 | 515,567,827                 |
| (iii) Trade and other payables         | 18      | 13,410,147                  | 12,623,407                  | 18,389,190                  |
| Other current liabilities              | 19      | 70,409,136                  | 70,126,155                  | 69,643,599                  |
| Short term provisions                  | 20      | 314,115                     | 241,683                     | 278,582                     |
|  |         | <u>1,024,600,796</u>        | <u>816,767,498</u>          | <u>641,513,533</u>          |
| <b>Total Equity &amp; Liabilities</b>  |         | <u><b>6,748,472,660</b></u> | <u><b>6,911,020,851</b></u> | <u><b>7,045,557,224</b></u> |

Summary of Significant Accounting Policies 1

Note Nos. 2 to 41 form an integral part of the Financial Statements

As per our report of even date attached.

For Kishore & Kishore  
Chartered Accountants

Firm Registration No. 000291N

Anshu Gupta  
Partner  
M.No. 77891



For and on behalf of the Board

Alok Gaur  
(Whole Time Director & CEO)

DIN-00112500

Anjali Jain  
(Director)

DIN-01373388

Pallavi Vardhan  
Company Secretary

M.No. FCS7838

Katash Chander Batra  
(Director)

DIN-02506465

Awdhesh Kumar Singh  
(Chief Financial Officer)

PAN-AEHP57782N

Place : New Delhi  
Date : 28th May, 2017

Sector-128, Noida 201304

(in ₹)

| Particulars   | Note No | For the year ended<br>31st March 2017 | For the year ended 31st<br>March 2016 |
|---|---------|---------------------------------------|---------------------------------------|
| Revenue from operations   | 21      | 400,282,320                           | 374,899,935                           |
| Other income  | 22      | 69,114,445                            | 69,314,846                            |
| Total Income  |         | 469,396,765                           | 444,214,781                           |
| Expenses:   |         |                                       |                                       |
| Employee benefits expense   | 23      | 50,602,506                            | 45,530,781                            |
| Finance costs   | 24      | 421,899,409                           | 413,826,438                           |
| Depreciation and amortization Expense   | 25      | 162,224,753                           | 131,942,753                           |
| Other expenses  | 26      | 51,126,195                            | 60,358,632                            |
| Total expenses  |         | 685,852,863                           | 651,658,604                           |
| Profit/(Loss) before exceptional items and tax  |         | (216,456,098)                         | (207,443,823)                         |
| Exceptional items   |         |                                       |                                       |
| Profit/(Loss) before tax  |         | (216,456,098)                         | (207,443,823)                         |
| Tax expense:  |         |                                       |                                       |
| (1) Current tax   |         |                                       | 100,583                               |
| (2) Deferred tax  |         |                                       |                                       |
| Profit (Loss) for the period from continued operations  |         | (216,456,098)                         | (207,544,406)                         |
| Other Comprehensive Income  |         |                                       |                                       |
| Items that will not be reclassified to profit or loss   | 27      | (19,171)                              | (53,271)                              |
| Total Comprehensive Income for the period<br>(Comprising Profit / (Loss) and Other Comprehensive Income for the period) |         | (216,475,269)                         | (207,597,677)                         |
| Earnings per Equity Share   |         |                                       |                                       |
| (1) Basic   |         | (1.83)                                | (1.76)                                |
| (2) Diluted   |         | (1.83)                                | (1.76)                                |

## Summary of Significant Accounting Policies

1

Note Nos. 2 to 41 form an integral part of the Financial Statements

As per our report of even date attached.

For and on behalf of the Board

For Kishore & Kishore  
Chartered Accountants

Firm Registration No. 000291N

Anshu Gupta

Partner

M.No. 77891

Alok Gaur  
(Whole Time Director  
& CEO)

DIN-00112520

Anjali Jain

(Director)

DIN-01373388

Kailash Chander Batra

(Director)

DIN-02506465

Awdhesh Kumar Singh

(Chief Financial Officer)

PAN-AEHP57782N

Pallavi Vardhan

Company Secretary

M.No. FCS7838

Place : New Delhi

Sector-128, Noida-201304

Date : 28th May, 2017

## NOTE 1. SIGNIFICANT ACCOUNTING POLICIES.

### I. Basis of preparation:-

The Company has adopted accounting policies that comply with Indian Accounting standards (Ind AS) notified by Ministry of Corporate Affairs vide notification dated 16 February 2015 under section 133 of the Companies Act 2013. Accounting policies have been applied consistently to all periods presented in these financial statements. The financial statements referred hereinafter have been prepared in accordance with the requirements and instructions of Schedule III to the Companies Act 2013, amended from time to time, applicable to companies to whom Ind AS applies.

The opening financial statements have been prepared in accordance with "Indian Accounting Standard 101 (First time Adoption of Indian Accounting Standards)". The opening financial statements comprises Balance Sheet, Statement of Change in equity and its related notes.

In the opening financial statements:

- (i) All assets and liabilities have been recognised as required by Ind AS.
- (ii) All assets and liabilities have been derecognized which are not permitted by Ind AS.
- (iii) All assets, liabilities or components of equity have been reclassified in accordance with Ind AS.
- (iv) All assets and liabilities have been measured in accordance with Ind AS.

The accounting policies used by the Company in its opening financial statements may differ from those previously used in accordance with Indian Generally Accepted Accounting Principles (GAAP) or the previous GAAP. The resulting adjustments, which have arisen for events and transactions before the date of transition to Ind AS, have been directly recognized in retained earnings at the date of transition to Ind-AS i.e. April 1, 2015.

The Company estimates in accordance with Ind ASs at the date of transition to Ind ASs are consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

The Company has explained how the transition from previous GAAP to Ind ASs has affected its reported Balance Sheet and Statement of Profit & Loss. Accordingly, The Company's first Ind AS financial statements includes:

- (a) Reconciliations of its equity reported in accordance with previous GAAP to its equity in accordance with Ind ASs for both of the following dates:
  - (i) the date of transition to Ind ASs; and
  - (ii) the end of the latest period presented in the Company's most recent annual financial statements in accordance with previous GAAP.
- (b) Reconciliation to its total comprehensive income in accordance with Ind ASs for the latest period in the Company's most recent annual financial



statements; the starting point for that reconciliation being the profit or loss under previous GAAP.

The Company's first financial statements have been prepared in accordance with the Ind AS prescribed. The preparation of the Company's first financial statements in conformity with Ind AS requires the Company to exercise its judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that effect the reported amounts of assets and liabilities at the date of the financial statements. These estimates and assumptions are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances and presented under the historical cost convention on accrual basis of accounting.

## **II. Use of Estimates:-**

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of asset and liabilities on the date of the financial statements and the reported amount of the revenue and the expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

## **III. Property, Plant and Equipment (PPE): -**

The Company has adopted optional exemption under Ind AS-101 and elected to continue with the carrying value of all its property, plant and equipment as recognized in the financial statement at the date of transition i.e. at 1st April, 2015, measured as per the previous GAAP and used that as its deemed cost as at the transition date.

PPE are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The carrying amount of a property, plant and equipment is de-recognised when no future economic benefits are expected from its use or on disposal.

Machine spares that can be used only in connection with an item of fixed asset and their use is expected for more than one year are capitalized.

Depreciation on property plant and equipment is provided on straight line method based on estimated useful life of assets as prescribed in schedule II to the Companies Act, 2013.

Depreciation on additions to / deduction from Fixed Assets during the year is charged on Pro-rata basis / up to the month in which the asset is available for use / disposal.

Gains and losses on de-recognition/disposals are determined as the difference between the net disposal proceeds and the carrying amount of those assets. Gains and Losses if any, are recognised in the statement of profit or loss on de-recognition or disposal as the case may be.

## **IV. Intangible Assets:-**

The company has elected to use a previous GAAP cost (cost less accumulated depreciation and impairment losses (if any)) of an intangible assets at, or before,



the date of transition to Ind ASs as deemed cost at the date of transition in accordance with accounting policy option in Ind AS 101.

Intangible assets acquired separately are measured on initial recognition at cost less accumulated amortisation and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

- i. The Cost of Softwares are amortized on a straight line basis over a period of six years.
- ii. Depreciation/Amortization on Intangible Assets (Toll Road) is provided in the manner prescribed in Serial-3(ii) of Schedule II to the Companies Act, 2013.

The amortisation period and method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

**V. Capital work in progress:-**Capital work-in-progress represents capital expenditure incurred in respect of the project under execution and is carried at cost. Cost includes construction costs, borrowing costs capitalized and other direct expenditure

**VI. Inventories:-**

Inventories of Store and Spares are valued at Weighted Average Cost or Net Realisable Value whichever is lower.

**VII. Impairment of Property ,Plant & Equipment and intangible assets**

An assets is treated as impaired, when carrying cost of assets exceeds its recoverable amount. An impaired loss is charged to statement of profit and loss in the year in which an assets is identified as impaired. The impaired loss is recognized in prior accounting period is reversed if there is a change in the estimate of the recoverable amount.

**VIII. Borrowing Cost:-**

Borrowing costs incurred on the funds borrowed specifically for the project and identified there is capitalized upto the time of commissioning of the project or part there of and there after charged to revenue to the extend assets are under commercial operation.

**IX. Employee Benefits:-**

**Contribution to Provident fund/Pension fund:-**Retirement benefits in the form of Provident fund / Pension Schemes are defined contribution schemes and the contributions are charged to the statement of Profit & Loss in the year when the contributions to the respective funds become due. The Company has no obligation other than contribution payable to these funds.

Gratuity and Leave Encashment is a defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit Method.



## **X. Tax Expenses:-**

Income Tax is determined in accordance with the provisions of the Income Tax Act, 1961.

**Current Tax:-** Current Tax are recognized in statement of profit & loss except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax is also recognized in other comprehensive income or directly in equity, respectively.

**Deferred Tax:-** Deferred tax is recognized using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates expected to apply to taxable income in the years in which those temporary differences when they reversed based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are recognized for the unused tax credit to the extent that it is probable that taxable profits will be available against which the losses will be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

## **XI. Fair Value Measurement:-**

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities



Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

## **XII. Financial Instrument**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets** includes Security deposits, trade receivables and other eligible current and non-current assets

**Financial liabilities** includes Loans to related party, trade payable and eligible current and non-current liabilities

### **i. Initial recognition and measurement:-**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value at initial recognition, plus or minus, any transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss.

### **ii. Financial assets subsequent measurement:-**

Financial assets as subsequent measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) as the case may be.

Financial liabilities as subsequent measured at amortised cost or fair value through profit or loss

### **iii. Effective interest method :-**

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

### **iv. Cash and cash Equivalents:-**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### **v. Impairment of Financial Assets:-**

All financial assets except for those at fair value through statement of profit and loss are subject to review for impairment at least at each reporting date.

### **vi. Financial liabilities:-**

Financial liabilities are recognized initially at fair value less any directly attributable transaction costs. These are subsequently carried at amortized cost using the effective interest method or fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the



carrying amounts approximate fair value due to the short maturity of these instruments

**vii. Borrowings:-**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan.

**viii. Equity Instruments:-**

An equity instrument is any contract that evidences a residual interest in the assets of company after deducting all of its liabilities. Equity instruments are recognised at the proceeds received, net of direct issue costs.

**ix. Derecognition of financial instrument:-**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**x. Offsetting of financial instruments:-**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

**XIII. Earnings Per Share**

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. For the purpose of calculating Diluted earnings per share, the net profit 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.

**XIV. Revenue:-**

Revenue is measured at the fair value of the consideration received or receivable, taking into account the contractually defined terms of payment net of returns and allowances, trade discounts and volume rebates, excluding taxes or duties collected on behalf of the government.

Revenue is recognized from toll road based on Toll Fee Collected.

**XV. Government grant:-**

Government grants relating to the purchase of property, plant & equipment and intangible assets are included in current or non-current liabilities as deferred income and are credited to statement to profit or loss on a straight line basis over the expected useful life of related assets and presented within other income.



**XVI. Operating cycle:-**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



Note No. 2

(Amount in ₹)

| Particulars                        | Plant & Equipment | Motor Vehicles | Office Equipments | Furniture & Fixture | Computers | Total       |
|------------------------------------|-------------------|----------------|-------------------|---------------------|-----------|-------------|
| Cost or deemed cost                |                   |                |                   |                     |           |             |
| Gross Block                        |                   |                |                   |                     |           |             |
| As at April 1, 2015                | 5,761,953         | 8,344,343      | 5,265,279         | 3,331,112           | 663,464   | 23,366,151  |
| Additions                          | -                 | -              | -                 | -                   | -         | -           |
| Disposals                          | -                 | (1,739,223)    | -                 | -                   | -         | (1,739,223) |
| Other adjustments                  | -                 | -              | -                 | -                   | -         | -           |
| As at March 31, 2016               | 5,761,953         | 6,605,120      | 5,265,279         | 3,331,112           | 663,464   | 21,626,928  |
| Additions                          | 31,000            | -              | -                 | -                   | -         | 31,000      |
| Disposals                          | -                 | -              | -                 | -                   | -         | -           |
| Other adjustments                  | -                 | -              | -                 | -                   | -         | -           |
| As at March 31, 2017               | 5,792,953         | 6,605,120      | 5,265,279         | 3,331,112           | 663,464   | 21,657,928  |
| Accumulated Depreciation           |                   |                |                   |                     |           |             |
| As at April 1, 2015                | 984,521           | 4,108,467      | 1,858,606         | 772,057             | 474,884   | 8,198,535   |
| Charge for the year                | 460,760           | 1,251,419      | 1,310,079         | 345,022             | 63,492    | 3,430,772   |
| Additions on acquisition           | -                 | -              | -                 | -                   | -         | -           |
| Disposals                          | -                 | (1,587,303)    | -                 | -                   | -         | (1,587,303) |
| Other adjustments                  | -                 | -              | -                 | -                   | -         | -           |
| As at March 31, 2016               | 1,445,281         | 3,772,583      | 3,168,685         | 1,117,079           | 538,376   | 10,042,004  |
| Charge for the year                | 459,506           | 907,632        | 1,306,500         | 344,079             | 63,319    | 3,081,035   |
| Impairment                         | -                 | -              | -                 | -                   | -         | -           |
| Disposals                          | -                 | -              | -                 | -                   | -         | -           |
| Other adjustments                  | -                 | (80,932)       | -                 | -                   | -         | (80,932)    |
| As at March 31, 2017               | 1,904,787         | 4,599,283      | 4,475,185         | 1,461,158           | 601,695   | 13,042,107  |
| Net Block (As at 1st April, 2015)  | 4,777,432         | 4,235,876      | 3,406,673         | 2,559,055           | 188,580   | 15,167,616  |
| Net Block (As at 31st March, 2016) | 4,316,672         | 2,832,537      | 2,096,594         | 2,214,033           | 125,088   | 11,584,924  |
| Net Block (As at 31st March, 2017) | 3,888,166         | 2,005,837      | 790,094           | 1,869,954           | 61,770    | 8,615,821   |



**HIMALYAN EXPRESSWAY LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2017**

Note No. 3

(Amount in ₹)

| Particulars                            | Zirakpur Parwanoo Expressway (Toll Road) | Software   | Total         |
|--|--|------------|---------------|
| Gross Block (Cost or deemed cost)      |  |            |               |
| As at April 1, 2015                    | 7,265,818,896                            | 25,354,824 | 7,291,173,720 |
| Additions                              | -  | -          | -             |
| Deletions                              | -  | -          | -             |
| As at March 31, 2016                   | 7,265,818,896                            | 25,354,824 | 7,291,173,720 |
| Additions                              | -  | -          | -             |
| Additions on acquisition of subsidiary | -  | -          | -             |
| Deletions                              | -  | -          | -             |
| As at March 31, 2017                   | 7,265,818,896                            | 25,354,824 | 7,291,173,720 |
| Amortization and impairment            |  |            | -             |
| As at April 1, 2015                    | 305,326,955                              | 17,240,647 | 322,567,602   |
| Charge for the year                    | 124,287,867                              | 4,224,114  | 128,511,981   |
| Impairment                             | -  | -          | -             |
| Deletions                              | -  | -          | -             |
| As at March 31, 2016                   | 429,614,822                              | 21,464,761 | 451,079,583   |
| Charge for the year                    | 155,334,587                              | 3,890,063  | 159,224,650   |
| Impairment                             | -  | -          | -             |
| Deletions                              | -  | -          | -             |
| As at March 31, 2017                   | 584,949,409                              | 25,354,824 | 610,304,233   |
| Net block                              |  |            | -             |
| As at April 1, 2015                    | 6,960,491,941                            | 8,114,177  | 6,968,606,118 |
| As at March 31, 2016                   | 6,836,204,074                            | 3,890,063  | 6,840,094,137 |
| As at March 31, 2017                   | 6,680,869,487                            | -          | 6,680,869,487 |



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

| Particulars  | As at 31st March<br>2017<br>₹ | As at 31st March<br>2016<br>₹ | As at 1st April 2015<br>₹ |
|--|-------------------------------|-------------------------------|---------------------------|
| <b>Note No. 4</b>  |                               |                               |                           |
| Capital work in progress   | 29,783,287                    | 25,096,312                    | 25,096,312                |
|  | <u>29,783,287</u>             | <u>25,096,312</u>             | <u>25,096,312</u>         |
| <b>Note No. 5</b>  |                               |                               |                           |
| Other Non Current Financial assets   |                               |                               |                           |
| Interest accrued on fixed deposit  | 30,933                        | 25,748                        | -                         |
| Other bank balance:-on deposit account   | 547,423                       | 437,487                       | 164,602                   |
|  | <u>578,356</u>                | <u>463,235</u>                | <u>164,602</u>            |
| The above other bank balances include FDRs worth ₹ 5,47,423/ (previous year ₹ 4,37,487/- ) which are reserved for current year redemption of debentures and have maturity period of more than 12 months.                                   |                               |                               |                           |
| <b>Note No. 6</b>  |                               |                               |                           |
| Cash and Cash equivalents  | -                             | -                             | -                         |
| Balances with Banks  |                               |                               |                           |
| In current Account   | 4,288,913                     | 3,521,790                     | 1,930,148                 |
| On Deposits Accounts   | 973,517                       | 996,764                       | 4,585,953                 |
| Cash in hand   | 4,611,944                     | 3,988,905                     | -                         |
| Cheque on hand   | 163,408                       | 194,544                       | -                         |
|  | <u>10,037,782</u>             | <u>8,702,003</u>              | <u>6,516,101</u>          |
| <b>Note No. 7</b>  |                               |                               |                           |
| Bank balances  |                               |                               |                           |
| On deposit account   | -                             | -                             | 749,533                   |
|  | <u>-</u>                      | <u>-</u>                      | <u>749,533</u>            |
| FDRs in note no. 6 above includes FDRs worth ₹ 773517/- (previous year ₹ 6,96,764/-) which are Reserve for current year redemption of debentures ₹ 2,00,000/- (previous year ₹ 3,00,000/-)pledged as Margin Money against Bank Guarantees. |                               |                               |                           |
| <b>Note No. 8</b>  |                               |                               |                           |
| Other Current Financial assets   |                               |                               |                           |
| Interest accrued on fixed deposit with banks   | 92,752                        | 77,026                        | 35,161                    |
| Security deposit   | 3,038,296                     | 3,038,296                     | 3,038,296                 |
|  | <u>3,131,048</u>              | <u>3,115,322</u>              | <u>3,073,457</u>          |



**Note No. 9****Current tax assets**

|                                |                  |                  |                  |
|--------------------------------|------------------|------------------|------------------|
| Advance taxes & TDS            | 20,222,919       | 19,195,631       | 19,266,632       |
| Less: Provision for Income tax | 14,464,400       | 14,464,400       | 14,485,820       |
|                                | <b>5,758,519</b> | <b>4,731,231</b> | <b>4,780,812</b> |

**Note No. 10****Other current assets**

|                                |                  |                   |                   |
|--------------------------------|------------------|-------------------|-------------------|
| Prepaid expenses               | 4,065,061        | 4,332,547         | 4,045,864         |
| Advance against gratuity       | -                | -                 | 25,061            |
| Advances to suppliers & others | 5,633,299        | 12,901,140        | 17,331,748        |
| Other recoverable              | -                | -                 | -                 |
|                                | <b>9,698,360</b> | <b>17,233,687</b> | <b>21,402,673</b> |

**Note No. 13****Borrowings****Secured Borrowings****Debentures**

|                                       |                      |                      |                      |
|---------------------------------------|----------------------|----------------------|----------------------|
| Redeemable Non Convertible Debentures | 453,885,445          | 473,556,201          | 484,369,054          |
| Term loans (indian currency)          | -                    | -                    | -                    |
| From bank/financial institutions      | 2,266,853,827        | 2,364,195,347        | 2,418,032,416        |
| From NBFC                             | -                    | -                    | -                    |
|                                       | <b>2,720,739,272</b> | <b>2,837,751,548</b> | <b>2,902,401,470</b> |

**Unsecured Borrowings****Loan from related party**

|  |                      |                      |                      |
|--|----------------------|----------------------|----------------------|
| Loan(Non Convertible Preference share capital) | 387,500,000          | 360,000,000          | 332,500,000          |
|  | <b>387,500,000</b>   | <b>360,000,000</b>   | <b>332,500,000</b>   |
|  | <b>3,108,239,272</b> | <b>3,197,751,548</b> | <b>3,234,901,470</b> |

The Redeemable Secured Non Convertible Debentures (NCDs) 4780 Nos of Rs 1,00,000/- each aggregating to Rs. 47.80 Crores, mentioned above rank pari passu with indebtedness of the company under the Facility Agreement with ICICI Bank. These are redeemable in 36 quarterly structured installments with effect from June 2017 till February 2026.

The Term Loan from ICICI Bank is secured against first charge on all immovable assets except project assets, all tangible movable assets, all intangible assets, all accounts of the Company -escrow accounts/ sub accounts, the receivables, and all authorised investments, present and future and pledge of 30% Shares of the Company held by Jaiprakash Associates Ltd (Holding Company). It is repayable in 37 quarterly structured installments with effect from May 2017 till March 2026.

Jaiprakash Associates Ltd (holding company) has provided interest free unsecured loan of Rs.178,00,00,000/- in compliance of loan agreement with ICICI Bank Ltd dated 30-03-2011. The loan is repayable after the repayment of rupee term loan of ICICI Bank Ltd. & redemption of NCDs.

The Company has issued 11% Redeemable Cumulative Preference Share of Rs. 100/- each fully paid up for a period of 10 years extendable up to 20 years, redeemable at any time at the option of the Company and among other conditions inter alia that the Preference Share holders shall have priority over equity share holders in the payment of dividend and repayment of capital in case of liquidation of the Company.



**Note No. 14****Other Financial Liabilities**

|                  |                   |                   |                   |
|------------------|-------------------|-------------------|-------------------|
| Security deposit | 34,179,275        | 30,612,535        | 27,455,189        |
|                  | <b>34,179,275</b> | <b>30,612,535</b> | <b>27,455,189</b> |

**Note No. 15****Long term provisions****Provision for employee benefit**

|                        |                  |                |                |
|------------------------|------------------|----------------|----------------|
| Provision for Gratuity | 679,946          | 308,130        | -              |
| Leave encashment       | 1,209,408        | 661,654        | 289,614        |
|                        | <b>1,889,354</b> | <b>969,784</b> | <b>289,614</b> |

**Note No. 16****Other Non-Current Liabilities**

|                 |                    |                    |                    |
|-----------------|--------------------|--------------------|--------------------|
| Deferred income | 757,682,798        | 826,563,052        | 895,443,306        |
|                 | <b>757,682,798</b> | <b>826,563,052</b> | <b>895,443,306</b> |

In terms of concession agreement dated August 31, 2007 entered into with National Highway Authority of India (NHAI), NHAI had given the capital grant of Rs.117,00,00,000/- to the Company.

**Note No. 17****Short Term Borrowings****Current maturities of secured long-term debt;**

|                                       |                    |                   |                   |
|---------------------------------------|--------------------|-------------------|-------------------|
| Redeemable non convertible debentures | 20,200,000         | 11,300,000        | 6,400,000         |
| Term loan from bank                   | 99,949,874         | 56,221,805        | 31,234,335        |
| Term loan from NBFC *                 | 484,936,663        | -                 | -                 |
|                                       | <b>605,086,537</b> | <b>67,521,805</b> | <b>37,634,335</b> |

**Other Financial Liabilities**

|  |                    |                    |                    |
|--|--------------------|--------------------|--------------------|
| Unsecured loan from holding company        | 323,000,000        | 656,200,000        | 510,500,000        |
| Interest accrued & due on borrowings       | -                  | -                  | -                  |
| Interest accrued but not due on borrowings | 2,676,472          | 999,473            | -                  |
| Due to staff                               | 1,783,877          | 1,247,935          | 786,031            |
| Capital suppliers                          | 320,310            | -                  | -                  |
| Other payables                             | 3,752,407          | 4,659,425          | 2,213,346          |
| Security deposit -Creditor & PRW           | 3,847,795          | 3,147,615          | 2,068,450          |
|  | <b>335,380,861</b> | <b>666,254,448</b> | <b>515,567,827</b> |
|  | <b>940,467,398</b> | <b>733,776,253</b> | <b>553,202,162</b> |

\*SREI Equipment Finance Limited has provided short term loan of Rs.48,49,36,663/- repayable in 12 equal monthly installment starting from 22.01.2017 and ending on 22.11.2017 at the interest rate of 13% p.a. against security of existing various movable assets of the company.

**Note No. 18****Trade payables**

|        |                   |                   |                   |
|--------|-------------------|-------------------|-------------------|
| Others | 13,410,147        | 12,623,407        | 18,389,190        |
|        | <b>13,410,147</b> | <b>12,623,407</b> | <b>18,389,190</b> |



**Note No. 19****Other Current Liabilities**

|                                       |                   |                   |                   |
|---------------------------------------|-------------------|-------------------|-------------------|
| Service Tax Payable                   | -                 | 132,567           | 81,657            |
| Employees Contribution to PF Payable  | 142,754           | 144,419           | 49,928            |
| Employees Contribution to ESI Payable | 3,683             | 3,370             | 4,717             |
| TDS Payable                           | 1,382,445         | 851,118           | 600,660           |
| Works Contract Tax                    | -                 | 114,427           | 26,383            |
| Deferred Income                       | 68,880,254        | 68,880,254        | 68,880,254        |
|                                       | <b>70,409,136</b> | <b>70,126,155</b> | <b>69,643,599</b> |

**Note No. 20****Short Term Provisions****Provision for employee benefit**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Bonus   | 245,115        | 203,072        | 252,443        |
| Gratuity  | 21,682         | 12,196         | 11,084         |
| Leave Encashment                                  | 47,318         | 26,415         | 15,055         |
| provision for wealth tax                          | -              | -              | -              |
| <b>Provision for taxation (net of taxes paid)</b> | <b>314,115</b> | <b>241,683</b> | <b>278,582</b> |



Note No. 11

## SHARE CAPITAL

## (i) Details of Authorized, Issued, Subscribed and fully paid share capital

| Share Capital   | As at 31.03.2017 |               | As at 31.03.2016 |               | As at 31.03.2015 |               |
|---|------------------|---------------|------------------|---------------|------------------|---------------|
|   | Number           | ₹             | Number           | ₹             | Number           | ₹             |
| <b>Authorized</b>   |                  |               |                  |               |                  |               |
| Equity Shares of ₹ 10/- each                                | 125,000,000      | 1,250,000,000 | 125,000,000      | 1,250,000,000 | 125,000,000      | 1,250,000,000 |
| 11% Redeemable Cumulative Preference Shares of ₹ 100/- each | 2,500,000        | 250,000,000   | 2,500,000        | 250,000,000   | 2,500,000        | 250,000,000   |
| <b>Issued</b>   |                  |               |                  |               |                  |               |
| Equity Shares of ₹ 10 each                                  | 118,090,000      | 1,180,900,000 | 118,090,000      | 1,180,900,000 | 118,090,000      | 1,180,900,000 |
| <b>Subscribed &amp; fully Paid up</b>                       |                  |               |                  |               |                  |               |
| Equity Shares of ₹ 10 each fully paid                       | 118,090,000      | 1,180,900,000 | 118,090,000      | 1,180,900,000 | 118,090,000      | 1,180,900,000 |
| <b>Total</b>  |                  |               | 118,090,000      | 1,180,900,000 | 118,090,000      | 1,180,900,000 |

## (ii) Reconciliation of shares outstanding at the beginning and at the end of the Financial Year 2015-16 &amp; 2016-17

| Particulars                                     | Equity Shares    |               |                  |               |
|---|------------------|---------------|------------------|---------------|
|   | As at 31.03.2017 |               | As at 31.03.2016 |               |
|   | Number           | ₹             | Number           | ₹             |
| Shares outstanding at the beginning of the year | 118,090,000      | 1,180,900,000 | 118,090,000      | 1,180,900,000 |
| Shares Issued during the year                   |                  |               | -                | -             |
| Shares bought back during the year              |                  |               | -                | -             |
| Any other movement                              |                  |               | -                | -             |
| Shares outstanding at the end of the year       | 118,090,000      | 1,180,900,000 | 118,090,000      | 1,180,900,000 |

## (iii) Terms/rights/restrictions attached to equity shares:

The company has issued only one class of Equity Shares at par value of Rs 10 per share.

Each holder of equity shares is entitled to one vote per share and entitled for pro-rata dividend, if any declared/paid by the Company, subject to approval of shareholders.



(iv) Shares held by the holding company, ultimate holding company and their subsidiaries /associates:

| Particulars  | Nature of Relationship | As at 31.03.2017 | As at 31.03.2016 | As at 31.03.2015 |
|--|------------------------|------------------|------------------|------------------|
| Equity Shares  |                        |                  |                  |                  |
| Jaiprakash Associates Limited (JAL) and 6 shareholders holding shares as nominees and for benefit of JAL | Holding Company        | 118,090,000      | 118,090,000      | 118,090,000      |

(v) Details of Shareholders holding more than 5% shares:

| Name of Shareholder           | Equity Shares      |              |                    |              |                                 |
|-------------------------------|--------------------|--------------|--------------------|--------------|---------------------------------|
|                               | As at 31.03.2017   |              | As at 31.03.2016   |              | As at 31.03.2015                |
|                               | No. of Shares held | % of Holding | No. of Shares held | % of Holding | No. of Shares held % of Holding |
| Jaiprakash Associates Limited | 118,090,000        | 100          | 118,090,000        | 100          | 118,090,000 100                 |

(vi) Details of shares allotted during the period of 5 years immediately preceding the date at which this Balance sheet is prepared in respect of undermentioned particulars:

| Particulars  | Aggregate No. of Shares (FY 2016-17) | Aggregate No. of Shares (FY 2015-16) | Aggregate No. of Shares (FY 2014-15) | Aggregate No. of Shares (FY 2013-14) | Aggregate No. of Shares (FY 2012-13) |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Equity Shares:   |                                      |                                      |                                      |                                      |                                      |
| Fully paid up pursuant to contract(s) without payment being received in cash |                                      | .                                    | .                                    | .                                    | .                                    |
| Fully paid up by way of bonus shares   |                                      | .                                    | .                                    | .                                    | .                                    |
| Shares bought back   |                                      | .                                    | .                                    | .                                    | .                                    |



Himalyan Expressway Limited  
Statement of Changes In Equity for the year ended March 31, 2017

A. Equity Share Capital

(in ₹)

| As at April 1, 2015 | Changes during the year | Balance as at March 31, 2016 | Changes during the year | Balance as at March 31, 2017 |
|---------------------|-------------------------|------------------------------|-------------------------|------------------------------|
| 1,180,900,000       | -                       | 1,180,900,000                | -                       | 1,180,900,000                |

B. Other Equity

(in ₹)

| Particulars                             | Reserves & Surplus   |                 | Others Comprehensive Reserves |                                       |
|---|----------------------|-----------------|-------------------------------|---------------------------------------|
|   | Capital contribution | Capital reserve | Retained earnings             | Remeasurement of Defined benefit plan |
| Restated Balance as at April 1, 2015    | 1,780,000,000        |                 | (716,604,935)                 | 1,659,047                             |
| Addition/deduction during the year      | -                    | -               | (207,544,407)                 |                                       |
| Other Comprehensive Income              | -                    | -               |                               | (53,271)                              |
| Total comprehensive income for the year | -                    | -               | (207,544,407)                 | (53,271)                              |
| Balance as at March 31, 2016            | 1,780,000,000        | -               | (924,149,342)                 | 1,605,776                             |
| Profit for the year                     | -                    | -               | (216,456,098)                 |                                       |
| Other Comprehensive Income              | -                    | -               |                               | (19,171)                              |
| Total comprehensive income for the year | -                    | -               | (216,456,098)                 | (19,171)                              |
| Balance as at March 31, 2017            | 1,780,000,000        | -               | (1,140,605,440)               | 1,586,605                             |
|   |                      |                 |                               | 857,456,434                           |
|   |                      |                 |                               | (216,456,098)                         |
|   |                      |                 |                               | (19,171)                              |
|   |                      |                 |                               | (216,475,269)                         |
|   |                      |                 |                               | 640,981,165                           |

The accompanying notes form an integral part of the financial statements



HIMALYAN EXPRESSWAY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31st, 2017

Note No. 12

OTHER EQUITY

(Amount in ₹)

| Particulars  | As at 31st March<br>2017 | As at 31st March<br>2016 | As at 1st April 2015 |
|--|--------------------------|--------------------------|----------------------|
| (i) Capital Contribution                           |                          |                          |                      |
| As per last Balance Sheet                          | 1,780,000,000            | 1,780,000,000            | -                    |
| Addition/ deduction                                |                          | -                        | 1,780,000,000        |
| Closing balance                                    | 1,780,000,000            | 1,780,000,000            | 1,780,000,000        |
| (ii) Reserve and Surplus                           |                          |                          |                      |
| (A) Capital Reserve                                |                          |                          |                      |
| As per last Balance sheet                          | -                        | -                        | 1,170,000,000        |
| Addition/ deduction                                | -                        | -                        | (1,170,000,000)      |
| Add: Transferred from Surplus                      | -                        | -                        | -                    |
| (B) Surplus  |                          |                          |                      |
| Retain earning brought forward from Previous Year  | (924,149,342)            | (716,604,935)            | (618,198,819)        |
| Add: Transferred from Debenture Redemption Reserve | -                        | -                        | -                    |
| Add: Profit / (Loss) for the year                  | (216,456,098)            | (242,948,700)            | (262,078,993)        |
| Less: Deferred Tax for earlier years               | -                        | -                        | -                    |
| Less: Transfer to Debenture Redemption Reserve     | -                        | -                        | -                    |
| Add: Other IndAs adjustment                        | -                        | 35,404,293               | 163,672,877          |
|  | (1,140,605,440)          | (924,149,342)            | (716,604,935)        |
| (iii) Other comprehensive Income                   |                          |                          |                      |
| (A) Remeasurement of Defined benefit plan          |                          |                          |                      |
| Opening balance                                    | 1,605,776                | 1,659,047                | -                    |
| Addition/Deduction during the year                 | (19,171)                 | (53,271)                 | 1,659,047            |
| Less: amount transferred to general reserve        | -                        | -                        | -                    |
| Closing balance                                    | 1,586,605                | 1,605,776                | 1,659,047            |
| Total  | 1,586,605                | 1,605,776                | 1,659,047            |
| Total- Other Equity                                | 640,981,165              | 857,456,434              | 1,065,054,112        |



**HIMALYAN EXPRESSWAY LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31st, 2017**

| Particulars                               | For the year ended<br>31st March 2017 | For the year ended<br>31st March 2016 |
|---|---------------------------------------|---------------------------------------|
|   | ₹                                     | ₹                                     |
| <b>Note No. 21</b>                        |                                       |                                       |
| Revenue from operation                    |                                       |                                       |
| Sale of Services                          |                                       |                                       |
| Revenue - Toll Fees                       | 374,907,191                           | 352,746,080                           |
| Revenue - Passes                          | 25,375,129                            | 22,153,855                            |
|   | 400,282,320                           | 374,899,935                           |
| <b>Note No. 22</b>                        |                                       |                                       |
| Other Income                              |                                       |                                       |
| Interest from Banks on FDRs               | 121,098                               | 95,013                                |
| Interest - Others                         | 13,791                                | -                                     |
| Profit on Sale of Fixed Assets            | -                                     | 179,676                               |
| Miscellaneous Income                      | 68,979,556                            | 69,040,157                            |
|   | 69,114,445                            | 69,314,846                            |
| <b>Note No. 23</b>                        |                                       |                                       |
| Employee Benefit Expense                  |                                       |                                       |
| Salaries and wages                        | 48,203,069                            | 44,099,706                            |
| Contribution to Provident and other funds | 1,318,279                             | 1,404,632                             |
| Staff Welfare                             | 1,081,158                             | 26,443                                |
|   | 50,602,506                            | 45,530,781                            |
| <b>Note No. 24</b>                        |                                       |                                       |
| Finance Cost                              |                                       |                                       |
| Interest                                  |                                       |                                       |
| Term Loan                                 | 326,836,256                           | 347,139,047                           |
| NCDs                                      | 56,733,700                            | 58,407,227                            |
| Other Financial Instruments               | 27,511,734                            |                                       |
| Other Financing Charges                   | 10,817,719                            | 8,280,164                             |
|   | 421,899,409                           | 413,826,438                           |
| <b>Note No. 25</b>                        |                                       |                                       |
| Depreciation and Amortization expense     |                                       |                                       |
| Depreciation on Tangible Assets           | 3,000,103                             | 3,430,772                             |
| Amortization of Intangible Assets         | 159,224,650                           | 128,511,981                           |
|   | 162,224,753                           | 131,942,753                           |



Note No. 26

Other expenses

|  |            |            |
|--|------------|------------|
| Advertisement & Marketing Expenses             |            | 51,050     |
| Consultancy & Advisory Charges                 | 8,359,703  | 7,403,078  |
| Travelling & Conveyance Expenses               | 174,886    | 529,707    |
| Postage & Telephone Expenses                   | 598,226    | 240,093    |
| Insurance Charges                              | 4,069,760  | 3,798,624  |
| Rent   | 1,500,000  | 1,500,000  |
| Rates & Taxes                                  | 2,006,147  | 2,121,460  |
| Electricity, Power & Fuel Expenses             | 12,947,569 | 10,377,653 |
| Office Building and Camp Maintenance           | 754,438    | 1,288,708  |
| Vehicles Running & Maintenance                 | 2,724,335  | 2,337,732  |
| Printing & Stationery                          | 142,878    | 552,194    |
| Security Service Expenses                      | 6,530,753  | 5,588,086  |
| Road Maintenance Expenses                      | 5,809,592  | 19,757,347 |
| Directors Fees                                 | 280,000    | 260,000    |
| Repair & Maintenance: Machinery                | 3,810,988  | 3,668,093  |
| Miscellaneous Expenses                         | 925,320    | 420,501    |
| Auditors' Remuneration :                       |            |            |
| Audit Fee                                      | 363,825    | 360,675    |
| Tax Audit Fee                                  | 92,500     | 80,000     |
| Certification Fees & Reimbursement of Expenses | 35,275     | 23,631     |
|  | 51,126,195 | 60,358,632 |

Note No. 27

Items that will not be reclassified to profit or loss

|   |          |          |
|---|----------|----------|
| Actuarial loss  | (19,171) | (53,271) |
| Remeasurements of the defined benefit plans   | -        | -        |
| Equity Instruments through Other Comprehensive Income   | -        | -        |
| Fair value changes relating to own credit risk  | -        | -        |
| Share of Other Comprehensive Income in Associates and Joint Ventures, to the extent not to be classified into profit or loss; | -        | -        |
| Others  |          |          |
|   | (19,171) | (53,271) |
| Less  | -        | -        |
| Tax on above  |          |          |
|   | (19,171) | (53,271) |



**HIMALYAN EXPRESSWAY LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017**

|  | For the Year ended<br>March 31, 2017 | For the Year ended<br>March 31, 2016 |
|--|--------------------------------------|--------------------------------------|
|  | ₹                                    | ₹                                    |
| <b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>                               |                                      |                                      |
| Net Profit / (Loss) before Tax as per Statement of Profit & Loss               | (216,456,098)                        | (207,443,823)                        |
| Add Back:  |                                      |                                      |
| (a) Depreciation and amortization  | 162,224,753                          | 131,942,753                          |
| (b) Interest & Finance Charges   | 421,899,409                          | 413,826,438                          |
| (c) Corporate Social Responsibility Expenses                                   | -                                    | -                                    |
| (d) Deficit on Loss of Asset   | -                                    | -                                    |
|  | <u>584,124,162</u>                   | <u>545,769,191</u>                   |
| Deduct:  |                                      |                                      |
| (a) Interest Income  | 134,889                              | 95,013                               |
| (b) Profit on sale of Assets   | -                                    | 179,676                              |
| (c) Other adjustment   | 19,171                               | 53,271                               |
|  | <u>154,060</u>                       | <u>327,960</u>                       |
| Operating Profit before Working Capital Changes                                | 367,514,004                          | 337,997,408                          |
| Deduct:  |                                      |                                      |
| (a) Increase in Other Bank balances  | -                                    | -                                    |
| (b) Increase in Trade Receivables  | -                                    | -                                    |
| (c) Decrease in financial, other Current/ non current Liabilities              | -                                    | -                                    |
| (d) Decrease in Provisions   | -                                    | -                                    |
| (e) Decrease in Trade payables   | -                                    | 5,765,783                            |
|  | <u>-</u>                             | <u>5,765,783</u>                     |
| Add  |                                      |                                      |
| (a) Increase in financial, other Current/ non current Liabilities              | 489,115,488                          | 7,627,049                            |
| (b) Increase in Trade payables   | 786,740                              | -                                    |
| (c) Decrease in Other Bank balances  | -                                    | 749,533                              |
| (d) Decrease in other financial assets, & other current and non current assets | 7,404,480                            | 3,828,488                            |
| (e) Increase in Provisions   | 992,002                              | 643,271                              |
|  | <u>498,298,710</u>                   | <u>12,848,341</u>                    |
| Cash Generated from Operations   | 865,812,714                          | 345,079,966                          |
| Deduct:  |                                      |                                      |
| (a) Taxes Paid   | 1,027,288                            | 51,001                               |
|  | <u>1,027,288</u>                     | <u>51,001</u>                        |
| <b>CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES</b>                       | <b>864,785,426</b>                   | <b>345,028,965</b>                   |
| <b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>                                |                                      |                                      |
| Inflow:  |                                      |                                      |
| (a) Interest Income  | 134,889                              | 95,013                               |
| (b) Sale of Fixed Assets   | -                                    | 331,595                              |
|  | <u>134,889</u>                       | <u>426,608</u>                       |
| Outflow:   |                                      |                                      |
| (a) Increase in Fixed Assets (including Capital work in progress)              | 4,397,665                            | -                                    |
|  | <u>4,397,665</u>                     | <u>-</u>                             |
| <b>CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>                         | <b>(4,262,776)</b>                   | <b>426,608</b>                       |



**(C) CASH FLOW FROM FINANCING ACTIVITIES:****Inflow:**

(a) Long-Term Borrowings -Secured

(b) Long-Term Borrowings -Unsecured

161,000,000

173,200,000

161,000,000

173,200,000

**Outflow:**

(a) Repayment of Borrowings -secured

64,384,207

34,762,452

(b) Long-Term Borrowings -Unsecured

466,700,000

-

(c) Deferred Income

68,880,254

68,880,254

(d) Interest Paid

420,222,410

412,826,965

1,020,186,871

516,469,671

**CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES**

(859,186,871)

(343,269,671)

**NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS "A+B+C"**

1,335,779

2,185,902

**CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR**

8,702,003

6,516,101

**CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR**

10,037,782

8,702,003

**COMPONENTS OF CASH AND CASH EQUIVALENTS :****In Balance with Schedule Banks (Refer Note No.6)**

Balance with Bank

5,262,430

4,518,554

Cash and Cheques on Hand

4,775,352

4,183,449

10,037,782

8,702,003

**Notes:**

The Cash Flow Statement has been prepared under the Indirect method as set in the Ind AS-7 "Cash Flow Statement".

For Kishore &amp; Kishore

Chartered Accountants

Firm Registration No: 000291N

Anshu Gupta

Partner

M.No. 077891



For and on behalf of the Board

Alok Gaur

Whole - Time  
Director & CEO

DIN-00112520

Anjali Jain

Director

DIN-01373388

Kailash Chander Batra

(Director)

DIN-02506465

Awdhesh Kumar Singh

(Chief Financial Officer)

PAN-AEHPS7782N

Pallavi Vardhan

(Company Secretary)

M.No. FCS7838

Place: New Delhi

Dated: 28<sup>th</sup> May, 2017

Sector-128, Noida-201304

## HIMALYAN EXPRESSWAY LIMITED

### Notes to the financial statements for the year ended March 31, 2017

#### Note No. 28

Himalyan Expressway Limited is a wholly owned subsidiary of Jaiprakash Associates Limited, incorporated on 25-05-2007 to execute the road project "Zirakpur to Parwanoo including Pinjore - Kalka - Parwanoo Bypass is a section of NH-22" starting at Km 39.860 and terminating at Km 67.000 of NH-22.

The "Zirakpur - Parwanoo Road Project" has achieved COD and commenced operations on 6<sup>th</sup> April, 2012. The Company has considered an increase of 374 days in the concession period based upon the settlement agreement with NHAI and further increase of 23 days as recommended by Independent Engineer appointed by NHAI. Thus the concession period stand increased by total of 397 days i.e. up to 31<sup>st</sup> March 2029 in place of existing concession period i.e. upto 28<sup>th</sup> February, 2028.

#### Note No. 29

Contingent Liabilities as on 31.03.2017 (to the extent not provided for):

- (a) In respect of outstanding amount of Bank Guarantees are ₹ 24,17,00,000 /- (Previous year ₹ 24,18,00,000/-).
- (b) Contingent liability in respect of income tax matters lying before the competent Appellate Authorities as detailed below :

| S. No. | Assessment Year | Tax Demand (₹) | Tax Penalty (₹) | Total (₹)    | Tax Deposited under protest (₹) | Balance (₹)  | Previous Year (₹) |
|--------|-----------------|----------------|-----------------|--------------|---------------------------------|--------------|-------------------|
| I      | 2009-10         | 60,97,048      | 59,84,470       | 1,20,81,518  | 64,97,048                       | 55,84,470    | -                 |
| II     | 2010-11         | -              | 57,61,363       | 57,61,363    | 3,00,000                        | 54,61,363    | -                 |
| III    | 2011-12         | 74,87,660      | 79,22,925       | 1,54,10,585  | 77,87,660                       | 76,22,925    | -                 |
| IV     | 2012-13         | 43,78,040      | -               | 43,78,040    | 21,89,020                       | 21,89,020    | 21,89,020         |
| V      | 2013-14         | -              | 8,38,89,672     | 8,38,89,672  | -                               | 8,38,89,672  | -                 |
|        | Total :         | 1,79,62,748    | 10,35,58,430    | 12,15,21,178 | 1,67,73,728                     | 10,47,47,450 | 21,89,020         |



Relying upon the decision of Delhi High Court in the matter of Indian Oil Panipat Power Consortium Limited Vs. ITO 315 ITR 255 (Del), provision for Income Tax was not made during the previous year(s) by the Company in respect of interest earned on temporarily placed funds in fixed deposit, which were otherwise inextricably linked to the implementation of Infrastructure road project. Such income is a capital receipt required to be capitalized and be set off against pre operative expenses.

The company has preferred appeal against the demand raised by the Income Tax Department on such income which is pending with the requisite authority. The company is hopeful of suitable relief in this regard.

- (c) NHAI Vide letter NHAI/PIU/CHD/11107/Z-P/1056 dated 20.01.2016, has imposed damages of ₹ 78,08,689/- and letter GP-SCIA/IE/ZP/NHAI/012 dated 06.01.2016 has imposed damages of ₹ 5,22,250/- for non maintenance of Project Highway. The Company is following with NHAI for waiver of the same.
- (d) The Company has issued 11% Redeemable Cumulative preference share of ₹ 100 each fully paid aggregating to ₹ 25 Crore, the company is under obligation to pay dividend.

#### **Note No.30**

- (a) Amount of contracts remaining to be executed on capital account is ₹ 1.89 Crores, (Previous Year ₹ 2.00 Crores). Other than capital account Nil (Previous year Nil).
- (b) The Company has received substantial completion certificate for Expressway. The balance capital work in progress is to be capitalized on receipt of completion certificate of Expressway from NHAI.

#### **Note No.31**

Disclosure of details of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016:



| Particulars                           | Specified Bank Notes (SBNs) (₹) | Other denomination notes (₹) | Total (₹)   |
|---------------------------------------|---------------------------------|------------------------------|-------------|
| Closing cash in hand as on 08.11.2016 | 19,90,500                       | 16,35,411                    | 36,25,911   |
| (+) Permitted Receipts                | 39,03,500                       | 281,89,696                   | 320,93,196  |
| (-) Permitted payments                | 24,000                          | 895                          | 24,895      |
| (-) Amount deposited in Banks         | 58,70,000                       | 2,64,47,349                  | 3,23,17,349 |
| Closing cash in hand as on 30.12.2016 |                                 | 33,76,863                    | 33,76,863   |

**NOTE NO.32**

| Particulars  | Year ended 31 March 2017 | Year ended 31 March 2016 |
|--|--------------------------|--------------------------|
| <b>Earnings Per Share</b>  |                          |                          |
| Net Profit/(Loss) after Tax (₹)  | (21,64,56,098)           | (20,75,44,406)           |
| Weighted average number of Equity shares for Earnings per share computation. |                          |                          |
| (i) Number of Equity Shares at the Beginning of the year.                    | 11,80,90,000             | 11,80,90,000             |
| (ii) Number of Equity Shares allotted during the year                        | -                        | -                        |



|   |              |              |
|---|--------------|--------------|
| (iii) Weighted average number of Equity Shares allotted during the year | -            | -            |
| (iv) Weighted average number of Equity Shares at the end of the year    | 11,80,90,000 | 11,80,90,000 |
| Basic & diluted Earnings per share (₹)                                  | (1.83)       | (1.76)       |
| Face Value per Share (₹)  | 10.00        | 10.00        |

### Note No.33

Debenture Redemption Reserve has not been created in view of inadequacy of profit during the year.

### Note No.34

Deferred tax assets/ liabilities for timing difference has not been created in view of uncertainty of future taxable income against which such deferred tax can be realized.

### Note No.35

#### a) Reconciliation of total equity as at March 31,2016 and April 1, 2015

| Description  | As at<br>March 31, 2016<br>(₹) | As at<br>April 1, 2015<br>(₹) |
|--|--------------------------------|-------------------------------|
| Total equity (shareholder's funds) under previous GAAP       | 12276,73,488                   | 14706,22,188                  |
| Adjustment made :  |                                |                               |
| Loan at effective rate of interest- Preference Share capital | (1100,00,000)                  | (825,00,000)                  |
| Loan at effective rate of interest- Debenture                | 44,43,799                      | 49,30,946                     |
| Loan at effective rate of interest- Borrowing                | 221,07,907                     | 244,92,645                    |
| Loan from related party at fair value                        | -                              | -                             |
| Grant recognized   | (8954,43,306)                  | (9643,23,561)                 |
| Deferred Tax   | -                              | -                             |
| Capital contribution   | 17800,00,000                   | 17800,00,000                  |
| Security deposit at amortized cost                           | 95,74,546                      | 127,31,893                    |
| Total adjustment   | 8106,82,946                    | 7753,31,923                   |
| Total equity (shareholder's funds) under per IND AS          | 20383,56,433                   | 22459,54,112                  |



**b) Reconciliation of Total comprehensive income for the year ended as at March 31, 2016**

| Description  | As at<br>March 31, 2016<br>(₹) |
|--|--------------------------------|
| <b>Total Profit &amp; Loss under previous GAAP</b>           | (2429,48,700)                  |
| <b>Adjustment made :</b>                                     |                                |
| Loan at effective rate of interest- Preference Share capital | (275,00,000)                   |
| Loan at effective rate of interest- Debenture                | (4,87,147)                     |
| Loan at effective rate of interest- Borrowing                | (23,84,739)                    |
| Grant recognized   | 688,80,254                     |
| Remeasurement defined benefit obligation                     | 53,271                         |
| Security deposit at amortised cost                           | (31,57,347)                    |
| <b>Profit &amp; Loss As Per IndAs</b>                        | <b>(2075,44,406)</b>           |
| Remeasurement defined benefit obligation                     | (53,271)                       |
| <b>Total Comprehensive Income as per IndAS</b>               | <b>(2075,97,677)</b>           |

**Note No.36**

(a) Provident Fund – Defined contribution Plan.

All employees are entitled to Provident Fund Benefit as per law. Amount debited to financial statements is ₹ 12,16,250/- during the year (Previous Year ₹ 12,73,360/-).

- (b) Jaiprakash Associates Limited (JAL) (the holding company) has constituted a separate gratuity fund trust under the name Jaiprakash Associates Employees Gratuity Fund Trust vide Trust Deed dated 30th March, 2009 for employees of JAL and its subsidiaries and appointed SBI Life Insurance Co. Ltd. for the management of the trust funds for employees benefit. As a subsidiary of JAL, the Company is participating in the trust fund by contributing its liability accrued up to the close of each financial year to the trust fund. Provision has been made for Gratuity & Leave Encashment as per actuarial valuation as below:



| S. No. | Particulars   | Amount (₹)              |                               |
|--------|---|-------------------------|-------------------------------|
|        |   | Gratuity - Funded       | Leave Encashment - Non Funded |
| I      | Expenses recognized in the Income Statements for the year ended 31 <sup>st</sup> March 2017.      |                         |                               |
|        | 1. Current Service Cost.  | 3,31,596<br>(2,92,183)  | 5,70,774<br>(5,24,881)        |
|        | 2. Interest Cost  | 25,626<br>(-) 1,118     | 55,046<br>(24,374)            |
|        | 3. Employee Contribution  | -<br>(-)                | -<br>(-)                      |
|        | 4. Net actuarial (gain)/loss recognized in the period   | -<br>(-)                | (-)4,909<br>(10,033)          |
|        | 5. Past Service Cost  | -<br>(-)                | -<br>(-)                      |
|        | 6. Settlement Cost  | -<br>(-)                | -<br>(-)                      |
|        | Total Expenses  | 3,57,222<br>(2,91,065)  | 6,20,911<br>(5,59,288)        |
|        | Expenses recognized in other comprehensive income for the year ended 31 <sup>st</sup> March 2017. |                         |                               |
|        | 1. Net cumulative unrecognized actuarial gain / (loss) opening                                    | -<br>(-)                |                               |
|        | 2. Actuarial gain / (loss) for the year on PBO  | (-) 23,692<br>(-)41,979 |                               |



|     |   |                             |                              |
|-----|---|-----------------------------|------------------------------|
|     | 3. Actuarial gain / (loss) for the year on Asset  | (-)388<br>(-)1,259)         |                              |
|     | 4. Unrecognized actuarial gain / (loss) at the end of the year                            | (-) 24,080<br>(-)43,238)    |                              |
| II  | Net Asset/ (Liability) recognized in the Balance Sheet as at 31 <sup>st</sup> March 2017. |                             |                              |
|     | 1. Present Value of Defined Benefit Obligation.   | 9,64,690<br>(5,83,290)      | 12,56,726<br>(6,88,069)      |
|     | 2. Fair Value of Plan Assets  | 2,63,062<br>(2,62,964)      | -<br>(-)                     |
|     | 3. Unfunded Status (Surplus/ Deficit)   | (-)7,01,628<br>(-)3,20,326) | (-)12,56,726<br>(-)6,88,069) |
|     | 4. Net Asset/(Liability) as at 31 <sup>st</sup> March, 2017.                              | (-)7,01,628<br>(-)3,20,326) | (-)12,56,726<br>(-)6,88,069) |
| III | Change in Obligation during the year ended 31 <sup>st</sup> March, 2017.                  |                             |                              |
|     | 1. Present value of Defined Benefit Obligation at the beginning of the year.              | 3,20,326<br>(-)13,977)      | 6,88,069<br>(3,04,669)       |
|     | 2. Current Service Cost.  | 3,31,596<br>(2,92,183)      | 5,70,774<br>(5,24,881)       |
|     | 3. Interest Cost  | 25,626<br>(-) 1,118)        | 55,046<br>(24,374)           |
|     | 4. Settlement Cost  | -<br>(-)                    | -<br>(-)                     |



|    |   |                             |                             |
|----|---|-----------------------------|-----------------------------|
|    | 5. Past Service Cost.   | -<br>(-)                    | -<br>(-)                    |
|    | 6. Employee Contributions   | -<br>(-)                    | -<br>(-)                    |
|    | 7. Actuarial (Gains)/Losses arising from:                             |                             |                             |
|    | - Change in demographic assumptions                                   | (-)                         | (-)                         |
|    | - Change in financial assumptions                                     | 32,963<br>(-)               | -<br>(-)                    |
|    | - Experience adjustment   | (-) 9,271<br>(41,979)       | -<br>(-)                    |
|    | 8. Benefit Paid   | (-) 20,551<br>((-)1,59,831) | (-) 52,254<br>((-)1,75,888) |
|    | 9 Present Value of Defined Benefit Obligation at the end of the year. | 9,64,690<br>(5,83,290)      | 12,56,726<br>(6,88,069)     |
| IV | Change in Assets during the Year ended 31 <sup>st</sup> March, 2017   |                             |                             |
|    | 1. Plan Assets at the beginning of the year.                          | 2,62,964<br>(3,92,643)      | -<br>(-)                    |
|    | 2. Assets acquired on amalgamation in previous year.                  | -<br>(-)                    | -<br>(-)                    |
|    | 3. Settlements  | -<br>(-)                    | -<br>(-)                    |
|    | 4. Expected return on Plan Assets                                     | -<br>(-)                    | -<br>(-)                    |
|    | 5. Contribution by Employer   | -<br>(-)                    | -<br>(-)                    |



|  |                            |          |
|--|----------------------------|----------|
| 6. Actual Benefit Paid                 | (-) 20,551<br>(-) 1,59,831 | -<br>(-) |
| 7. Actuarial Gains/ (Losses)           | (-) 388<br>(-) 1,259       | -<br>(-) |
| 8. Plan Assets at the end of the year. | 2,63,062<br>(2,62,964)     | -<br>(-) |

V. Assets/Liabilities:

|   | As on                        | 31.03.17                | 31.03.16     | 31.03.15     | 31.03.14     | 31.03.13     |
|---|------------------------------|-------------------------|--------------|--------------|--------------|--------------|
|   |                              | <b>Gratuity</b>         |              |              |              |              |
| A | PBO(C)                       | 9,64,690                | 5,83,290     | 3,78,666     | 3,18,802     | 2,68,165     |
| B | Plan Assets                  | 2,63,062                | 2,62,964     | 3,92,643     | 4,01,773     | 3,68,537     |
| C | Net Assets/<br>(Liabilities) | (-) 7,01,628            | (-) 3,20,326 | 13,977       | 82,971       | 1,00,372     |
|   |                              | <b>Leave Encashment</b> |              |              |              |              |
| A | PBO(C)                       | 12,56,726               | 6,88,069     | 3,04,669     | 3,23,658     | 3,40,798     |
| B | Plan Assets                  | -                       | -            | -            | -            | -            |
| C | Net Assets/<br>(Liabilities) | (-) 12,56,726           | (-) 6,88,069 | (-) 3,04,669 | (-) 3,23,658 | (-) 3,40,798 |

VI. Experience on actuarial (Gain) / Loss for PBO and Plan Assets:

|   |                | <b>Gratuity</b>         |          |           |           |            |
|---|----------------|-------------------------|----------|-----------|-----------|------------|
| A | On Plan PBO    | 23,692                  | 41,979   | 47,151    | 67,321    | 4,13,765   |
| B | On Plan Assets | (-) 388                 | (-) 1259 | (-) 1,841 | (-) 1,038 | (-) 10,238 |
|   |                | <b>Leave Encashment</b> |          |           |           |            |
| A | On Plan PBO    | (-) 4,909               | 10,033   | 97,440    | 48,897    | 5,98,883   |



|   |                |   |   |   |   |   |
|---|----------------|---|---|---|---|---|
| B | On Plan Assets | - | - | - | - | - |
|---|----------------|---|---|---|---|---|

VII. Enterprises best estimate of contribution during next year:

(i) Gratuity : ₹ 4,27,144/-

(ii) Leave encashment : ₹ 3,77,830/-

VIII. Actuarial Assumptions

(i) Discount Rate : 7.5%

(ii) Mortality Table : IALM (2006-08)

(iii) Turnover Rat : Up to 30 years – 2%, 31-44years –5%,  
Above 44 years -3%

(iv) Future Salary Increase : 5.50%

c) Actuarial gain/loss has been transferred to Other Comprehensive Income for previous years i.e. till F.Y. 2014-15.

#### Note No.37

Managerial remuneration paid to Whole Time Director (excluding provision for gratuity and leave encashment on retirement) shown in Statement of Profit & Loss.

|                      | (Amount in ₹)    |                  |
|----------------------|------------------|------------------|
|                      | Current Year     | Previous Year    |
| Basic Pay            | 58,72,500        | 56,70,000        |
| House Rent Allowance | 18,22,500        | 2,83,500         |
| Perquisite           | 7,43,034         | 5,57,758         |
| Provident Fund       | 7,04,700         | 6,23,700         |
| <b>Total</b>         | <b>91,42,734</b> | <b>71,34,958</b> |

#### Note No. 38

Related party disclosure, as required in terms of IND AS 24 are given below:

Relationships (Related party relationships are as identified by the Company and relied upon by the Auditors)

A. **Parent Company:** Jaiprakash Associates Limited (JAL)

B. **Fellow Subsidiary Companies:**

1. Jaiprakash Power Ventures Limited (JPVL) (subsidiary of JAL till 17.02.2017)



2. Jaypee Powergrid Limited (JV subsidiary of JPVL) (subsidiary of JAL till 17.02.2017)
3. Jaypee Arunachal Power Limited (JV subsidiary of JPVL) (subsidiary of JAL till 17.02.2017)
4. Sangam Power Generation Company Limited (subsidiary of JPVL) (subsidiary of JAL till 17.02.2017)
5. Prayagraj Power Generation Company Limited (subsidiary of JPVL) (subsidiary of JAL till 17.02.2017)
6. Jaypee Meghalaya Power Limited (subsidiary of JPVL) (subsidiary of JAL till 17.02.2017)
7. Bina Power Supply Limited (new name of Himachal Karcham Power Company Limited w.e.f. 28.09.15) (subsidiary of JPVL) (subsidiary of JAL till 17.02.2017)
8. Jaypee Infratech Limited (JIL)(subsidiary of JAL)
9. Jaypee Healthcare Limited (subsidiary of JIL)
10. Bhilai Jaypee Cement Limited (JV subsidiary of JAL)
11. Gujarat Jaypee Cement & Infrastructure Limited (JV subsidiary of JAL)
12. Jaypee Ganga Infrastructure Corporation Limited (subsidiary of JAL)
13. Jaypee Agra Vikas Limited (subsidiary of JAL)
14. Jaypee Fertilizers & Industries Limited (subsidiary of JAL)
15. Jaypee Cement Corporation Limited (JCCL) (subsidiary of JAL)
16. Himalyaputra Aviation Limited (subsidiary of JAL)
17. Jaypee Assam Cement Limited (subsidiary of JAL)
18. Jaypee Infrastructure Development Limited (new name of Jaypee Cement Cricket (India) Limited w.e.f 21.02.2017) (subsidiary of JAL)
19. Jaypee Cement Hockey (India) Limited (subsidiary of JAL)
20. Jaiprakash Agri Initiatives Company Limited (subsidiary of JCCL)
21. Yamuna Expressway Tolling Limited (new name of Yamuna Expressway Tolling Private Limited w.e.f 05.04.2017, which again is the new name of Jaypee Mining Venture Private Limited w.e.f 24.03.2017) (subsidiary of JAL w.e.f 25.03.2017 only)

Note1. As on 31.03.17, HEL has 14 fellow subsidiaries, excluding S. No. 1 to 7 above.

Note2: Jaiprakash Power Ventures Limited (JPVL) ceased to be a subsidiary of JAL as it allotted 51% of its share capital to its various lenders on 18.02.2017 and consequently, JAL's holding in JPVL reduced to 29.74%. Accordingly, six



subsidiaries of JPVL (as mentioned at Sl. No. 2 to 7 above) also ceased to be subsidiaries of JAL from that date. JPVL & the said six subsidiaries of JPVL became Associate Companies of JAL w.e.f. 18.02.2017.

Note3: Himachal Baspa Power Company Limited (subsidiary of JPVL till 07.09.15; No more a subsidiary w.e.f. 08.09.15)

Note4: Jaypee Sports International Limited (JPSI) ceased to be a subsidiary of JAL as it amalgamated into JAL on 16.10.15 w.e.f. the Appointed Date 01.04.14)

### **C. Associate Companies:**

1. Jaiprakash Power Ventures Limited (JPVL) (w.e.f. 18.02.2017, it became an Associate Company in place of a subsidiary)
2. Jaypee Powergrid Limited (JV subsidiary of JPVL) (w.e.f. 18.02.2017, it became an Associate Company in place of a subsidiary)
3. Jaypee Arunachal Power Limited (JV subsidiary of JPVL) (w.e.f. 18.02.2017, it became an Associate Company in place of a subsidiary)
4. Sangam Power Generation Company Limited (subsidiary of JPVL) (w.e.f. 18.02.2017, it became an Associate Company in place of a subsidiary)
5. Prayagraj Power Generation Company Limited (subsidiary of JPVL) (w.e.f. 18.02.2017, it became an Associate Company in place of a subsidiary)
6. Jaypee Meghalaya Power Limited (subsidiary of JPVL) (w.e.f. 18.02.2017, it became an Associate Company in place of a subsidiary)
7. Bina Power Supply Limited (new name of Himachal Karcham Power Company Limited w.e.f. 28.09.15) (subsidiary of JPVL) (w.e.f. 18.02.2017, it became an Associate Company in place of a subsidiary)
8. MP Jaypee Coal Limited (JV Associate Co.)
9. MP Jaypee Coal Fields Limited (JV Associate Co.)
10. Madhya Pradesh Jaypee Minerals Limited (JV Associate Co.)
11. Jaypee Uttar Bharat Vikas Private Limited (JV Associate Co.)
12. Kanpur Fertilizers & Cement Limited (JV Associate Co.)
13. Jaypee Infra Ventures (A Private Company With Unlimited Liability) (JIV)
14. Jaypee Development Corporation Limited (JDCL) (Subsidiary of JIV)
15. Andhra Cements Limited (subsidiary of JDCL)
16. JIL Information Technology Limited (JILIT) (Subsidiary of JIV)
17. Gaur & Nagi Limited (Subsidiary of JILIT)
18. Jaypee International Logistics Company Private Limited (subsidiary of JIV)
19. Tiger Hills Holiday Resort Private Limited (subsidiary of JDCL)
20. Anvi Hotels Private Limited (subsidiary of JIV) (dissolved w.e.f. 16.07.16)
21. Indesign Enterprises Private Limited (IEPL) (subsidiary of JIV)
22. Ibonshourne Limited (subsidiary of IEPL w.e.f. 11.01.16)
23. RPJ Minerals Private Limited (RPJMPL)
24. Sarveshwari Stone Products Private Limited (subsidiary of RPJMPL)
25. Rock Solid Cement Limited (subsidiary of RPJMPL)
26. Sonebhadra Minerals Private Limited

### **KMP based Associate Cos**

1. Jaiprakash Kashmir Energy Limited (KMP based Associate Co.) (controlled by Shri Manoj Gaur, Shri Sunny Gaur & their relatives)  
[JAL holds 14.29% shares, Shri Manoj Gaur & his relatives hold 57.14% shares]  
[This company is in the process of striking off of name by ROC]



2. Yamuna Expressway Tolling Private Limited (new name of Jaypee Mining Ventures Private Limited w.e.f. 24.03.2017) (KMP based Associate Co. till 24.03.2017) (controlled by Shri Sunil Kumar Sharma/ Shri Sunny Gaur). (w.e.f. 25.03.2017, it became a subsidiary of JAL) (w.e.f. 05.04.2017, its name has been changed to Yamuna Expressway Tolling Limited)
3. Ceekay Estates Private Limited (KMP based Associate Co.) (controlled by relative of Shri Manoj Gaur/ Shri Sunny Gaur)
4. Jaiprakash Exports Private Limited (KMP based Associate Co.) (controlled by relatives of Shri Manoj Gaur/ Shri Sunny Gaur)
5. Bhumi Estate Developers Private Limited (KMP based Associate Co.) (Jointly controlled by relative of Shri Manoj Gaur/ Shri Sunny Gaur and also by relative of Shri Rahul Kumar)
6. Pac Pharma Drugs and Chemicals Private Limited (KMP based Associate Co.) (controlled by relative of Shri Sunil Kumar Sharma) (Dissolved on 16.04.2016)
7. Jaypee Jan Sewa Sansthan ('Not For Profit' Private Limited Company) (KMP based Associate Co.) (controlled by relatives of Shri Manoj Gaur/ Shri Sunny Gaur)
8. Think Different Enterprises Private Limited (KMP based Associate Co.) (controlled by relative of Shri Manoj Gaur)
9. JC World Hospitality Private Limited (KMP based Associate Co.) (controlled by relative of Shri Manoj Gaur/ Shri Sunny Gaur)
10. JC Wealth & Investments Private Limited (KMP based Associate Co.) (Jointly controlled by relative of Shri Manoj Gaur/ Shri Sunny Gaur)
11. CK World Hospitality Private Limited (KMP based Associate Co.) (Jointly controlled by relative of Shri Manoj Gaur/ Shri Sunny Gaur)
12. Librans Venture Private Limited (KMP based Associate Co.) (Jointly controlled by relative of Shri Manoj Gaur/ Shri Sunny Gaur)
13. Librans Real Estate Private Limited (KMP based Associate Co.) (Jointly controlled by relative of Shri Manoj Gaur/ Shri Sunny Gaur)
14. Samvridhi Advisors LLP (KMP based partnership firm) (Controlled by Shri R.N. Bhardwaj and his relatives)
15. Kram Infracon Private Limited
16. Jaypee Hotels Ltd.
17. Jaypee Technical Consultants Private Ltd.
18. Renaissance Lifestyle Private Ltd. (Controlled by Smt. Anjali Jain)
19. KCB Consultants LLP (Controlled by Shri Kailash Chander Batra)

**D. Key Managerial Personnel:**

All the Directors of HEL are Key Management Personnel (KMP) of HEL:

1. Shri Alok Gaur, Whole-time Director & CEO
2. Shri Sameer Gaur, Director (resigned w.e.f 01.09.2016)
3. Smt. Anjali Jain, Director
4. Shri Kailash Chander Batra, Director
5. Shri Sham Lal Mohan, Independent Director
6. Shri Kuldip Chand Ganjwal, Independent Director
7. Shri Har Prasad, Director (resigned w.e.f 31.08.2016 (A.N.)

***KMP of HEL and JAL (Parent Company), alongwith their close relatives, are related.***

Note: KMP of JAL are:



- 1 Shri Manoj Gaur
- 2 Shri Sunil Kumar Sharma
- 3 Shri Suresh Chand Rathi, (LIC Nominee)
- 4 Shri Shailesh Verma, (SBI Nominee)
- 5 Shri Subrat Kumar Mohapatra, (IDBI Nominee)
- 6 Shri Raj Narayan Bhardwaj
- 7 Shri Basant Kumar Goswami
- 8 Ms. Homai A. Daruwalla
- 9 Shri Kailash Nath Bhandari
- 10 Shri Satish Charan Kumar Patne
- 11 Shri Chandra Prakash Jain
- 12 Shri Keshav Prasad Rau
- 13 Shri Tilak Raj Kakkar
- 14 Shri Sunny Gaur
- 15 Shri Pankaj Gaur
- 16 Shri Ranvijay Singh
- 17 Shri Rahul Kumar
- 18 Shri Subhash Chandra Bhargava (resigned w.e.f. 22.04.17)
- 19 Shri SK Jain (till 06.06.16 only)
- 20 Shri Madhav P. Phadke (IDBI Nominee) (from 10.06.15 to 27.11.16)
- 21 Shri Shiva Dixit (till 20.07.15 only)

**Transactions carried out with related parties referred to above in the ordinary course of business:-**

| Amount in ₹          |                                |                          |                          |
|----------------------|--------------------------------|--------------------------|--------------------------|
| Particulars          | Referred in (a)<br>above       | Referred in<br>(c) above | Referred in<br>(d) above |
| <b>Receipts:</b>     |                                |                          |                          |
| Unsecured Loan       | 13,35,00,000<br>(14,57,00,000) |                          |                          |
| <b>Expenditure:</b>  |                                |                          |                          |
| Contract Expenses    | 10,90,196<br>(-)               |                          |                          |
| Consultancy          |                                | -<br>(-)                 |                          |
| Salary & Perquisites |                                |                          | 91,42,734<br>(71,34,958) |
| <b>Payables:</b>     |                                |                          |                          |
| Creditors            | 1,01,83,042<br>(1,04,69,159)   | (-)<br>(-)               |                          |



|                         |                                  |  |  |
|-------------------------|----------------------------------|--|--|
| <b>Security Deposit</b> | 4,02,41,591<br>(4,01,87,081)     |  |  |
| <b>Unsecured Loan</b>   | 210,30,00,000<br>(243,62,00,000) |  |  |

(Previous year figures are given in brackets)

Note: There were no transactions with the relationships referred to (b) above during the year.

**Note 39 : Fair Value Measurement**  
**Categories of financial instruments**

| <b>Financial assets</b>           | <b>As at March 31, 2017</b> | <b>As at March 31, 2016</b> | <b>As at 1 April 2015</b> |
|-----------------------------------|-----------------------------|-----------------------------|---------------------------|
| <b>Measured at amortised cost</b> |                             |                             |                           |
| (i) Cash and Bank balance         | 100,37,782                  | 87,02,003                   | 72,65,634                 |
| (ii) other financial assets       | 37,09,404                   | 35,78,557                   | 32,38,059                 |
|                                   | <b>137,47,186</b>           | <b>122,80,560</b>           | <b>105,03,693</b>         |
| <b>Financial liabilities</b>      | <b>As at March 31, 2017</b> | <b>As at March 31, 2016</b> | <b>As at 1 April 2015</b> |
| <b>Measured at amortised cost</b> |                             |                             |                           |
| Borrowing                         | 37133,25,809                | 32652,73,353                | 32725,35,805              |
| Trade and other payables          | 134,10,147                  | 126,23,407                  | 183,89,190                |
| Other financial liabilities       | 3695,60,136                 | 6968,66,983                 | 5430,23,017               |
| <b>Total</b>                      | <b>40962,96,092</b>         | <b>39747,63,743</b>         | <b>38339,48,011</b>       |

**(i) Fair Value Hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (A) recognised and measured at fair value and (B) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of inputs used in determining fair values, the group has classified its financial instruments into three levels prescribed under the accounting standards.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below :-

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.



Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

#### Fair value measurements

| Particulars                  | Fair value (₹) as at |                      |                      | Fair value Hierarchy | Valuation technique(s) and key input(s)                                    |
|------------------------------|----------------------|----------------------|----------------------|----------------------|--|
|                              | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 |                      |  |
| <b>Financial Liabilities</b> |                      |                      |                      |                      |  |
| Borrowing-Preference share   | 3875,00,000          | 600,00,000           | 3325,00,000          | Level 2              | Discounted estimated cash flow through the expected life of the borrowings |
| Borrowing- Others            | 33258,25,809         | 29052,73,353         | 9400,35,805          | Level 2              | Discounted estimated cash flow through the expected life of the borrowings |



| Particulars                                | Carrying value ( ₹ ) |                      |                     |
|--|----------------------|----------------------|---------------------|
|  | As at March 31, 2017 | As at March 31, 2016 | As at 1 April, 2015 |
| <b>i) Financial assets – Current</b>       |                      |                      |                     |
| Cash and cash equivalents                  | 100,37,781.92        | 87,02,003.30         | 72,65,634.23        |
| Other Financial assets                     | 31,31,048            | 31,15,322            | 30,73,457           |
| <b>ii) Financial liabilities – Current</b> |                      |                      |                     |
| Borrowing                                  | 6050,86,537          | 675,21,805           | 376,34,335          |
| Other financial liabilities                | 341,79,275           | 306,12,535           | 274,55,189          |

The fair values of cash & bank balances, other financial assets and borrowing other financial liability are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities

#### **(ii) Valuation techniques used to determine Fair value**

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### **The following method and assumptions are used to estimate fair values:**

The Carrying amounts of trade receivables, trade payables, short term borrowing, other financial assets/ Liabilities, cash and cash equivalents. are considered to be their fair value , due to their short term nature.

Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. For borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.



**Note No.40**

Additional information pursuant to provisions of paragraphs 5 of Part-II of the Schedule-III to the Companies Act, 2013:

| Foreign Exchange Outgo          | Current Year | Previous Year |
|---------------------------------|--------------|---------------|
| Expenditure in Foreign Currency | Nil          | Nil           |


**Note No. 41**

Previous year figures have been reworked/ regrouped/ rearranged wherever necessary to conform to those of current year.


All the figures have been rounded off to nearest Rupee.


Signature to Notes 1 to 41 of Financial Statements for the year ended on 31<sup>st</sup> March 2017.

For Kishore & Kishore  
Chartered Accountants  
Firm Regn No. - 000291N

  
(Anshu Gupta)  
Partner  
M. No. : 77891



  
Alok Gaur  
Whole Time Director & CEO  
DIN: 00142520

  
Anjali Jain  
Director  
DIN:01373388

For and on behalf of the Board

  
Kailash Chander Batra  
Director  
DIN:02506465

  
Awdhesh Kumar Singh  
Chief Financial Officer

  
Pallavi Vardhan  
Company Secretary  
M. No: FCS 7838

Place: New Delhi  
Date : 28<sup>th</sup> May, 2017

Sector-128, Noida -201304