



SAI MAATARINI TOLLWAYS LIMITED

4th ANNUAL REPORT 2014-15



Four-Laning of Panikoili-Rimuli Section of NH-215 from Km. 0.00 to Km. 163.00 (Design Length 166.173) in the State of Orissa under NHDP Phase – III as BOT (Toll) basis on DBFOT Pattern.

BOARD OF DIRECTORS

Mr. T. Rajiv Reddy	Managing Director
Mr. T.V. Sandeep Kumar Reddy	Director
Ms. T. Indira Subbarami Reddy	Director
Ms. T. Sarita Reddy	Director
Mr. Ch. Hari Vithal Rao	Director
Mr. M. V. Narasimha Rao	Director
Mr. T. Suryanarayana	Director

REGISTERED & CORPORATE OFFICE

6-3-1090, B-1,
TSR Towers, Raj Bhavan Road,
Somajiguda,
Hyderabad – 500 082.
Corporate Identification No. U45400TG2011PLC076396

AUDITORS

M/s M. BHASKARA RAO & CO.
Chartered Accountants
5-D, Fifth Floor, 'Kautilya',
6-3-652, Somajiguda
Hyderabad – 500 082.

PROJECT LENDERS

IDBI Bank Limited, Mumbai
Oriental Bank of Commerce, Hyderabad
Bank of India, Mumbai
Indian Overseas Bank, Hyderabad
Andhra Bank, Hyderabad
Canara Bank, Secunderabad
India Infrastructure Finance Co. Ltd., New Delhi
Life Insurance Corporation of India, Mumbai
Central Bank of India, Hyderabad

CONCESSIONING AUTHORITY

NATIONAL HIGHWAYS AUTHORITY OF INDIA
G – 5 & 6, Sector – 10,
Dwarka, New Delhi – 110 075

BOARD'S REPORT

To
The Members,

Your Directors have immense pleasure in presenting the 4th Annual Report of your Company and the Audited Financial Statements for the year ended 31st March, 2015.

1. FINANCIAL SUMMARY:

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

S. No.	Particulars	31 st March 2015 (Rs.)	31 st March 2014 (Rs.)
1	Other Income	18,604	17,191
	TOTAL INCOME :: A	18,604	17,191
2	Other expenses	20,66,181	43,58,020
3	TOTAL EXPENDITURE :: B	20,66,181	43,58,020
4	NET LOSS BEFORE TAX	(20,47,577)	(43,40,829)
5	Less: Deferred Tax	-	-
6	NET LOSS AFTER TAX	(20,47,577)	(43,40,829)

SPECIAL PURPOSE VEHICLE:

Your Company is a Special Purpose Vehicle (SPV) formed for the purpose of execution of the project "Four Laning of Panikoli-Rimuli section of NH-215 from KM 0.00 to KM 163.00 (Design Length 166.173 KM) in the State of Orissa under NHDP Phase-III as BOT (Toll) basis on DBFOT pattern." The Company has entered into a Concession Agreement on 28th September 2011 with National Highways Authority of India (NHAI), which specifies a Concession period of 24 years, out of which 2.50 years is the construction period and 21.50 years is the Operations & Maintenance period.

2. REVIEW OF OPERATIONS

The following table shows the Total Project Cost and the Means of Finance, as finalized between the Company and the Lenders:

₹ in Crores

S. No.	Total Project Cost	Amount	Means of Finance	Amount
1	EPC Cost	2,020.00	Equity/Quasi-Equity	360.32
2	Interest During Construction	197.65	Grant from NHAI	548.49
3	Preliminary & Pre-operative Expenses	82.90	Term Loan	1,397.35
4	Contingency	5.61		
	Total	2,306.16	Total	2,306.16

The EPC work at the project site has been commenced by the EPC Contractor, M/s Gayatri Projects Ltd. For the purpose of convenience, the entire project has been divided into 3 sections, as follows:

Section No.	Chainage Details
Section – 1	KM 0.000 to KM 55.000
Section – 2	KM 55.000 to KM 113.000
Section – 3	KM 113.000 to KM 166.173

During the year, the EPC work at the project site progressed at satisfactory levels. The Company has achieved Milestones – I & II, in accordance with the Concession Agreement. The achievement of Milestone-I has been confirmed by NHAI, whereas the achievement of Milestone-II has been confirmed by the Independent Consultant appointed by NHAI and the final concurrence of NHAI is awaited.

The project, as a whole, is hampered by various issues, due to which the progress is slightly slower than planned. Major reasons for delay in execution of the project are enlisted below:

- Delays in handing over of Right of Way (ROW) by NHAI, in accordance with the Concession Agreement.
- Forest land of 27.652 kms., wherein the Company could not commence any EPC work.
- Delay in shifting of utilities such as water pipelines & electric lines.

The EPC Contractor has mobilized all required men, material and machinery to ensure speedy progress of work at the project site. The Company, with the support of the EPC Contractor and the lenders, is striving to achieve the targets.

TERM LOANS:

The following table shows the amount of disbursement made by the lenders upto 31 March 2015:

₹ in Crores

S. No.	Name of the Lender	Term Loan sanctioned	Term Loan disbursed	Balance Term Loan
1	IDBI Bank Ltd.	350.00	153.37	196.63
2	Andhra Bank	97.35	42.66	54.69
3	Bank of India	200.00	87.65	112.35
4	Canara Bank	150.00	65.74	84.26
5	Central Bank of India	100.00	43.83	56.17
6	Indian Overseas Bank	100.00	43.83	56.17
7	Oriental Bank of Commerce	100.00	43.83	56.17
8	LIC of India	100.00	43.83	56.17
9	IIFCL	200.00	87.65	112.35
	TOTAL	1397.35	612.39	784.96

Your Directors take this opportunity to thank the lenders for their kind co-operation so far, and expects that the same support will continue in the future too.

3. FUTURE OUTLOOK

At this juncture, the entire focus will be on completion of the project within the timelines stipulated under the Concession Agreement. The Company and the EPC Contractor will put-in all the required efforts to ensure that the project progresses in-line with the schedule stipulated under the Concession Agreement.

As mentioned above, all the required men, machinery and material have been deployed at the project site to achieve the targets.

4. EXTRACT OF ANNUAL RETURN

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

5. BOARD MEETINGS

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

6. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors had appointed Mr. M.V. Narasimha Rao as an Independent Director of the Company with effect from 2nd March, 2015 up to 1st March, 2016.

The Board of Directors had appointed Ch. Harivithal Rao as an Independent Director of the Company with effect from 2nd March, 2015 up to 1st March, 2019.

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

The Board of Directors had appointed Mr. T. Rajiv Reddy as Additional Directors of the Company with effect from 12th August, 2014.

The Board of Directors had appointed Mr. P.K. Sahoo as CFO of the Company in the category of Key Managerial Personnel under Section 203 of the Companies Act, 2013 with effect from 12th August, 2014.

Mr. T. Rajiv Reddy was appointed as Director at Extra-ordinary general Meeting held on 27th March, 2015 and he was appointed as Managing Director at the same General Meeting for the period of Five years w.e.f 2nd March, 2015.

8. DECLARATION BY INDEPENDENT DIRECTORS

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

9. RE-APPOINTMENTS

Ms. T. Indira Reddy Directors of the Company who retires by rotation and being eligible, offers themselves for re-appointment.

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

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

11. AUDITORS REPORT

There are no qualifications in the Auditors Report.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are Nil.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

14. TRANSFER OF AMOUNT TO RESERVES

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

15. DIVIDEND

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

16. MATERIAL CHANGES AND COMMITMENTS

There has been no material change and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

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

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

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

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

At this juncture, the only target of your Company is to complete the execution of Project Highway in accordance with the Concession Agreement. In this direction, your Company has, at the project site, implemented a policy to identify and if necessary, to correct major risks pertaining to execution/implementation of the project, as the expenditure being incurred by the Company majorly consists of EPC Work. The Company has appointed a Project Monitoring team to oversee the project and also to co-ordinate with various Government/Non-Government authorities. Apart from this, an independent agency has been appointed to certify the monthly EPC Bills of the project before release of the same to the EPC Contractor, thereby significantly reducing the risk involved in release of funds, which are obtained by the Company by way of Term Loan installments and Grant from NHAI.

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

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

20. BOARD EVALUATION

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

21. SUBSIDIARY COMPANIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATE COMPANIES

During the Financial Year ending on 31st March 2015, your Company had no subsidiaries and associate companies.

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

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

22. CONSOLIDATED FINANCIAL STATEMENTS

As the Company does not have any subsidiary or associate companies, the Consolidated Financial Statements are not applicable.

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

As the Company does not have any subsidiary or associate companies, the statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures is not applicable.

24. DEPOSITS

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

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

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

26. STATUTORY AUDITORS

The Company's Auditors, M/s M. Bhaskara Rao & Co., Chartered Accountants, Hyderabad bearing ICAI Regn. No. 000459S who retire at the ensuing Annual General Meeting of the Company are eligible for reappointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Auditors of the Company.

27. PARTICULARS OF EMPLOYEES

There are no employees who come under the purview of Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

28. VIGIL MECHANISM

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

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

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

30. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

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

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

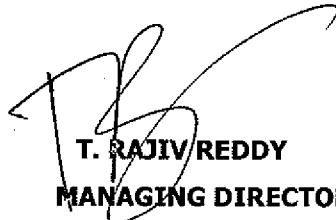
31. ACKNOWLEDGEMENTS

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

For and on behalf of the Board

Place: Hyderabad

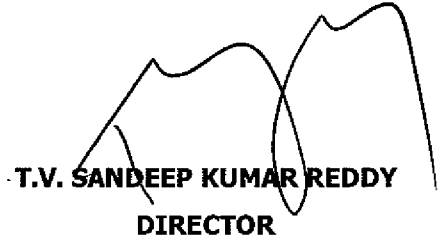
Date: May 20, 2015



T. RAJIV REDDY

MANAGING DIRECTOR

DIN:06859435



T.V. SANDEEP KUMAR REDDY

DIRECTOR

DIN:00005573

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended 31.03.2015
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:	
CIN	U45400TG2011PLC076396
Registration Date	08/09/2011
Name of the Company	SAI MAATARINI TOLLWAYS LIMITED
Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non Government Company
Address of the Registered Office and contact details	6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana. E Mail: rajkumar@givl.co.in , Tel: 040-23310330
Whether listed company	Unlisted
Name, address and contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICES PVT. LTD. Branch Office: 306, Right Wing, Amrutha Ville, Opp, Yasodha Hospital, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana. E Mail: bsshyd@bigshareonline.com , Tel: 040- 23374967

II. Principal Business Activities of the Company			
All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:			
Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Construction of Roads	42101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -					
Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Gayatri Projects Ltd 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad-500082.	L99999TG1989PLC057289	Holding	100	2(46)

Companies									
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	0	0	0	0	0	0	0	0	0
(2) Non- Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1,00,00,837	6	1,00,00,843	100	1,00,00,837	6	1,00,00,843	100	0

ii) Shareholding of Promoters

.No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholdin 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	
	Gayatri Projects Limited	1,00,00,837	99.99994	20.66	1,00,00,837	99.99994	51.00	-
	Mr. T. V. Sandeep Kumar Reddy (Nominee of M/s. Gayatri Projects Limited)	1	0.002	-	1	0.002	-	-
	Mr. K. G. Naidu (Nominee of Gayatri Projects Limited)	1	0.002	-	1	0.002	-	-
	Ramamohanraju Chinda (Nominee of Gayatri Projects Limited)	1	0.002	-	1	0.002	-	-
	K Venkata Mohan (Nominee of Gayatri Projects Limited)	1	0.002	-	1	0.002	-	-
	U.Prashant Shenoy (Nominee of Gayatri Projects Limited)	1	0.002	-	1	0.002	-	-
	K.Mani Raju (Nominee of Gayatri Projects Limited)	1	0.002	-	1	0.002	-	-
total		1,00,00,843	100	20.66	1,00,00,843	100	51.00	-

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

S. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,00,00,843	100		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
	At the end of the year	1,00,00,843	100	-	-

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

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

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of	-	-	-	-

	the year				
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,37,74,00,000	2,04,87,644	-	2,39,78,87,644
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not	-	-	-	-
Total (i+ii+iii)	2,37,74,00,000	2,04,87,644	-	2,39,78,87,644
Change in Indebtedness during the financial year				
Addition	4,60,73,99,425	98,11,12,000	-	5,58,85,11,425
Reduction	-	-	-	-
Net Change	4,60,73,99,425	98,11,12,000	-	5,58,85,11,425
Indebtedness at the end of the financial year				
i) Principal Amount	6,92,39,00,000	1,00,15,99,644	-	7,92,54,99,644
ii) Interest due but not paid	-	-	-	-
iii) Interest	6,08,99,425	-	-	6,08,99,425

accrued but not due				
Total (i+ii+iii)	6,98,47,99,425	1,00,15,99,644		7,98,63,99,069

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. T. Rajiv Reddy		
1.	Gross Salary	-	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	as % of profit	-	-	-
	others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	-	-	-

B. Remuneration to other directors:

1. Independent Directors

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

2. Other Non Executive Directors

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

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

(Rs.)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary	-	-		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	3,50,000	3,50,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	as % of profit others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total			3,50,000	3,50,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: -N.A.-

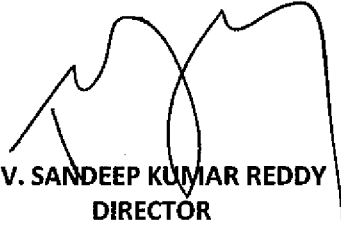
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					

Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board

**Place: Hyderabad
Date: May 20, 2015**


**T. RAJIV REDDY
MANAGING DIRECTOR
DIN:06859435**


**T.V. SANDEEP KUMAR REDDY
DIRECTOR
DIN:00005573**

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 arms length transactions under third proviso thereto

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

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

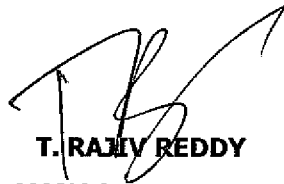
2. Details of material contracts or arrangement or transactions at arm's length basis

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

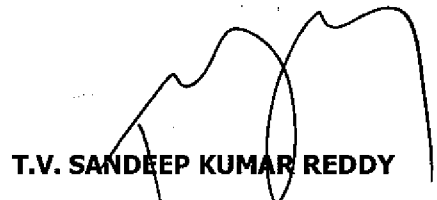
For and on behalf of the Board

Place: Hyderabad

Date: May 20, 2015



T. RAJIV REDDY
MANAGING DIRECTOR
DIN:06859435



T.V. SANDEEP KUMAR REDDY
DIRECTOR
DIN:00005573

Independent Auditor's Report

To
The Members of
Sai Maatarini Tollways Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 there under.

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

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



statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

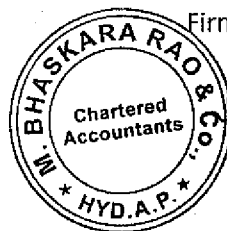
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 books of account.
 - (d) In our opinion, the aforesaid 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 March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.



- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has no pending litigation as on March 31, 2015 requiring disclosure in the financial statements.
 - ii. The company is not required to make provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There are no amounts to be transferred to Investor Education and Protection Fund.

For M. Bhaskara Rao & Co.,
Chartered Accountants
Firm Registration No. 000459S



Anilkumar Mehta
Anilkumar Mehta

Partner

Membership No.14284

Hyderabad, May 20, 2015

Annexure to the Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Sai Maatarini Tollways Limited)

(i) In respect of its Fixed Assets:

- (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.

(ii) In respect of Inventory:

The company's project is under construction stage. According to the information and explanations given to us, the company did not deal in any inventories during the year and accordingly requirements of paragraph 3(ii) of the order are not applicable to the company.

(iii) 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. Accordingly paragraphs (a) and (b) of clause (iii) of the Order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.

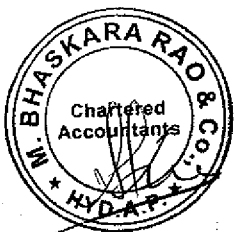
(v) The company has not accepted any deposits from the public. Therefore the provisions of paragraph 3 (v) of the Order are applicable to the Company.

(vi) The Central Government has not prescribed maintenance of cost records under the Companies Act, 2013 for the type of operations carried on by the Company.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities during the year.

(b) According to the information and explanations given to us, no dues in case of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have been deposited on account of any dispute.

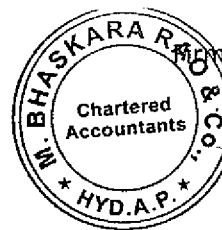


- (c) According to the information and explanations given to us, the company does not have any amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- (viii) The company is in existence for a period less than five years; hence reporting on accumulated losses under paragraph 3(viii) of the Order is not applicable.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank during the year except in respect of interest as detailed below:

Particulars	Delay in Days	Amount (Rs.)
Banks	1 to 26 days	521,915
Financial Institutions	1 to 26 days	150,306

- (x) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions, accordingly, the provisions of paragraph 3(x) of the Order is not applicable.
- (xi) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, the term loans were applied for the purpose for which the loans were obtained;
- (xii) During the course of our examination of the books and other records of the company and according to the information and explanations given to us, no instance of fraud on or by the company has been noticed or reported during the year, nor have we been informed of such instance by the management.

Hyderabad, May 20, 2015



for M. Bhaskara Rao & Co.,
Chartered Accountants
Registration No. 000459S

Anilkumar Mehta
Anilkumar Mehta
Partner
Membership No.14284

SAI MAATARINI TOLLWAYS LIMITED
BALANCE SHEET AS AT MARCH 31, 2015

Particulars	Note No	As at March 31, 2015		As at March 31, 2014	
		₹	₹	₹	₹
I. EQUITY AND LIABILITIES					
1. SHAREHOLDERS' FUNDS					
a. Share Capital	3	10,00,08,430		10,00,08,430	
b. Reserves and Surplus	4	2,20,01,06,202	2,30,01,14,632	1,69,69,14,065	1,79,69,22,495
2. NON-CURRENT LIABILITIES					
a. Long Term Borrowings	5	7,91,15,26,144		2,39,78,87,644	
b. Other Long Term Liabilities	6	11,36,48,536	8,02,51,74,680	36,47,22,278	2,76,26,09,922
3. CURRENT LIABILITIES					
a. Trade Payables	7	1,02,13,442		1,59,28,042	
b. Other Current Liabilities	8	36,93,96,897	37,96,10,339	92,20,08,747	93,79,36,789
TOTAL			10,70,48,99,651		5,49,74,69,206
II. ASSETS					
1. NON-CURRENT ASSETS					
a. Fixed Assets					
i) Tangible Assets	9	12,65,302		14,11,902	
ii) Intangible Assets under Development	10	9,69,68,38,943	9,69,81,04,245	5,17,27,17,545	5,17,41,29,447
b. Long term loans and advances	11		63,17,73,812		30,79,86,060
2. CURRENT ASSETS					
a. Cash and Bank Balances	12	35,77,94,125		25,60,923	
b. Other Current Assets	13	1,72,27,469	37,50,21,594	1,27,92,776	1,53,53,699
TOTAL			10,70,48,99,651		5,49,74,69,206
Company Information and Significant Accounting Policies	1 & 2				

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached

For M. BHASKARA RAO & CO.

Chartered Accountants


ANIL KUMAR MEHTA
Partner

Partner

Hyderabad, May 20, 2015

For and on behalf of the Board


T. RAJIN REDDY
Managing Director
DIN: 06859435


T.V. SANDEEP KUMAR REDDY
Director
DIN: 00005573


P.K. SAHOO
Chief Financial Officer



SAI MAATARINI TOLLWAYS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

PARTICULARS	Note No	Year ended March 31, 2015 ₹	Year ended March 31, 2014 ₹
Income:			
Works Contract Revenue	14	-	-
Other Income	15	18,604	17,191
TOTAL		18,604	17,191
Expenses:			
Works Contract Expenses	16	-	-
Employee Benefits Expense	17	-	-
Finance Costs	18	-	-
Other Expenses	19	20,66,181	43,58,020
TOTAL		20,66,181	43,58,020
LOSS BEFORE TAX		(20,47,577)	(43,40,829)
Tax expense			
1. Current tax		-	-
2. Deferred tax		-	-
LOSS AFTER TAX		(20,47,577)	(43,40,829)
Earnings per equity share of face value of ₹ 10/- each			
Basic and Diluted	25	(0.20)	(1.27)
Company Information and Significant Accounting Policies	1 & 2		

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached

For M. BHASKARA RAO & CO.

Chartered Accountants

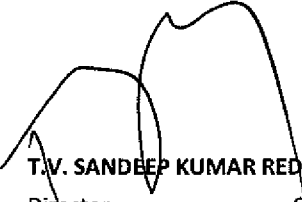


ANIL KUMAR MEHTA

Partner

Hyderabad, May 20, 2015

For and on behalf of the Board


T. RAJIV REDDY
Managing Director
DIN: 06859435

 
T.V. SANDEEP KUMAR REDDY P.K. SAHOO
Director Chief Financial Officer
DIN: 00005573



SAI MAATARINI TOLLWAYS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

(₹)

PARTICULARS	Year ended March 31, 2015	Year ended March 31, 2014
(A) Cash Flow from Operating Activities:		
Loss Before Tax	(20,47,577)	(43,40,829)
Operating Profit before Working Capital Changes	(20,47,577)	(43,40,829)
Adjustments for:		
(Increase) /Decrease in Other Long Term Liabilities	(25,10,73,742)	33,04,65,420
Increase /(Decrease) in Trade Payables	(57,14,600)	1,50,23,214
Increase /(Decrease) in Other Current Liabilities	(55,26,11,850)	(39,01,61,725)
(Increase) /Decrease in Short term Loans and advances	-	-
(Increase) /Decrease in Other Current Assets	(44,34,693)	(1,19,09,431)
(Increase) /Decrease in Long Term Loans and Advances	(32,37,87,752)	(30,79,86,060)
Cash Generated from Operations	(1,13,76,22,637)	(36,45,68,582)
Net Cash flow from Operating Activities (A)	(1,13,96,70,214)	(36,89,09,411)
(B) Cash Flow from Investing Activities:		
Intangible Assets under Development	(4,52,41,21,398)	(3,80,90,35,251)
Purchase of Capital Assets	1,46,600	(14,11,902)
Net Cash used in Investing Activities (B)	(4,52,39,74,798)	(3,81,04,47,153)
(C) Cash Flow from Financing Activities:		
Proceeds from Issue of Share Capital	-	1,80,11,02,583
Grant Received from NHA	50,52,39,714	-
Increase /(Decrease) in Long Term borrowings	5,51,36,38,500	2,37,79,84,917
Net Cash flow from Financing Activities (C)	6,01,88,78,214	4,17,90,87,500
Net Increase in Cash and Cash Equivalents (A+B+C)	35,52,33,202	(2,69,064)
Increase in Cash and Cash Equivalents at the beginning of the year	25,60,923	28,29,987
Cash and Cash Equivalents at the end of the year	35,77,94,125	25,60,923

Note:

1. The Cash Flow Statement is prepared in accordance with the indirect method stated in Accounting Standard 3 and presents Cash Flow by Operating, Investing and Financing Activities.
2. Figures in brackets represent Cash Outflows.

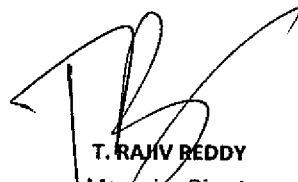
Accompanying Notes form an integral part of the Financial Statements
As per our report of even date attached

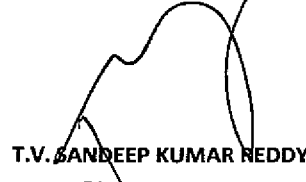

For M. BHASKARA RAO & CO.
Chartered Accountants

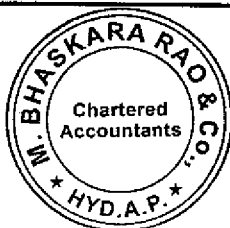

ANIL KUMAR MEHTA
Partner

Hyderabad, May 20, 2015

For and on behalf of the Board


T. RAJIV REDDY
Managing Director
DIN: 06859435

 
T.V. SANDEEP KUMAR REDDY **P.K. SAHOO**
Director Chief Financial Officer
DIN: 00005573



SAI MAATARINI TOLLWAYS LIMITED
Notes to the Financial Statements for the year ended March 31, 2015

NOTE NO.

1. COMPANY INFORMATION

Sai Maatarini Tollways Limited ("the Company") is a limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956.

The Company is a Special Purpose Vehicle (SPV) incorporated for the purpose of execution of the project "Four Laning of Panikoili-Rimuli section of NH-215 from KM 0.00 to KM 163.00 (Design Length 166.173 KM) in the State of Odisha under NHDP Phase-III as BOT (Toll) basis on DBFOT pattern." As per the Concession Agreement dated September 28, 2011 signed with National Highways Authority of India ("NHAI"), the Concession Period is for 24 years consisting two and a half year of construction period and 21.50 years of Operation and Maintenance (Toll) period.

2 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation:

The financial statements of the Company are prepared under historical cost convention on accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP) applicable in India. The Company has prepared these financial statements to comply in all material respects with the provisions of the Companies Act, 2013 and the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

b) Revenue Recognition:

- i. Fee collections from users of facility are accounted for as and when the amount is due and recovery is certain.
- ii. Dividend income is recognized when the right to receive is established.
- iii. Interest income is accrued at applicable rates.
- iv. Other items of income are accounted as and when the right to receive arises.

c) Fixed Assets and Depreciation:

Fixed assets are stated at cost of acquisition, less accumulated depreciation thereon. For this purpose, cost includes purchase price and all other attributable costs of bringing the assets to working condition for intended use. Depreciation on assets has been provided for on straight-line basis at the rates specified in Schedule II to the Companies Act, 2013.

d) Intangible Assets under Development:

- Direct Expenditure incurred on construction of the Highway Project (Concessionaire Asset), including Mobilization amount is presented under Intangible Assets under Development.
- Indirect Costs attributable to construction of project are accumulated under Pre- Operative expenditure and are capitalized on completion of Project. Other costs are charged to Statement of Profit and Loss.

e) Investments:

- Current Investments are carried at lower of cost and market value determined on an individual investment basis.
- Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investment.

f) Grants:

Cash support received from Ministry of Road Transport & Highways for meeting capital cost of the project during the construction period is classified as Capital Reserve and treated as part of shareholder's funds in accordance with the provisions of the Concession Agreement entered into with Ministry of Road Transport & Highways.

g) Borrowing Costs:

Borrowing Costs that are attributable to the acquisition and construction of qualifying assets are capitalized as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the year in which they are incurred.

h) Earnings per Share:

The Company reports basic and diluted earnings per share in accordance with Accounting Standard (AS) 20, Earnings per Share specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. Basic earnings per equity share are computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

i) Taxes:

Current Tax: Provision for Current Tax is made based on taxable income computed for the year under the Income Tax Act, 1961.

Deferred Tax: Deferred Tax is accounted for by computing the tax effect on timing differences which arise during the year and reverse in subsequent periods. Deferred tax assets are recognized and carried forward only to the extent that there is a certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

SAI MAATARINI TOLLWAYS LIMITED
Notes to the Financial Statements for the year ended March 31, 2015

j) Provisions, Contingent Liabilities and Contingent Assets:

- a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if:
- i) The Company has a present obligation as a result of a past event;
 - ii) Probable outflow of resources is expected to settle the obligation; and
 - iii) The amount of the obligation can be reliably estimated.
- b. Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.
- c. Contingent Liability is disclosed in the case of
- i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
 - ii) A present obligation when no reliable estimate is possible, and
 - iii) A possible obligation arising from past events where the probability of outflow of resources is not remote.
- d. Contingent Assets are neither recognized, nor disclosed.
- e. Provisions, Contingent Liabilities, and Contingent Assets are reviewed at each Balance Sheet date.

Maintenance Obligations: Contractual obligations to maintain, replace or restore the infrastructure (principally resurfacing costs and major repairs and unscheduled maintenance which are required to maintain the carriageway in operational condition except for any enhancement element) are recognized and measured as the expenditure required to settle the present obligation at the balance sheet date. The provision for the resurfacing is accounted for in accordance with the provisions of AS 29, Provisions, Contingent Liabilities and Contingent Assets.

k) Impairment of Assets:

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine:

- i) The provision for impairment loss, if any required; or
- ii) The reversal, if any, required of impairment loss recognized in previous period.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- i) In the case of an individual assets, at the higher of the net selling price and the value in use;
- ii) In the cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's net selling price and the value in use;

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset from its disposal at the end of its useful life).

3. SHARE CAPITAL

	As at March 31, 2015		As at March 31, 2014	
	No. of shares	₹	No. of shares	₹
Authorized:				
Equity shares of ₹ 10 each	1,50,00,000	15,00,00,000	1,50,00,000	15,00,00,000
Issued, Subscribed and Fully paid-up				
Equity shares of ₹ 10 each fully paid-up	1,00,00,843	10,00,08,430	1,00,00,843	10,00,08,430

3.1 Reconciliation of Shares outstanding at the beginning and at the end of the year:

	As at March 31, 2015		As at March 31, 2014	
	No. of shares	₹	No. of shares	₹
Equity shares of ₹ 10 each fully paid-up				
At the beginning of the year	1,00,00,843	10,00,08,430	50,000	5,00,000
Add : Issued during the year	-	-	99,50,843	9,95,08,430
Balance at the end of the year	1,00,00,843	10,00,08,430	1,00,00,843	10,00,08,430

3.2 Rights, Preferences and Restrictions attaching to Equity Shares

The Company has only one class of equity shares having par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share.

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

SAI MAATARINI TOLLWAYS LIMITED
Notes to the Financial Statements for the year ended March 31, 2015

3.3 Shares held by the Holding Company

Name of the Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of shares	₹	No. of shares	₹
Equity shares of ₹ 10 each fully paid-up				
Gayatri Projects Limited - Holding Company and its nominees	1,00,00,843	10,00,08,430	1,00,00,843	10,00,08,430

3.4 Details of shareholder holding more than 5% of the shares

Name of the Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of ₹ 10 each fully paid-up				
Gayatri Projects Limited	1,00,00,843	100%	1,00,00,843	100%

4. RESERVES AND SURPLUS

S.No	Particulars	As at March 31, 2015		As at March 31, 2014	
		(₹)	(₹)	(₹)	(₹)
1	Securities Premium				
	Opening Balance	1,70,15,94,153		-	
	Add: Received on allotment during the year			1,70,15,94,153	
	Closing Balance		1,70,15,94,153		1,70,15,94,153
2	Capital Grant				
	Opening Balance				
	Add : Received during the year	50,52,39,714			
	Closing Balance		50,52,39,714		
3	Surplus in the Statement of Profit and Loss				
	Opening Balance	(46,80,088)		(3,39,259)	
	Add/(Less): Loss after Tax	(20,47,577)		(43,40,829)	
	Closing Balance		(67,27,665)		(46,80,088)
	TOTAL		2,20,01,06,202		1,69,69,14,065

SAI MAATARINI TOLLWAYS LIMITED
Notes to the Financial Statements for the year ended March 31, 2015

5. LONG TERM BORROWINGS

S.No	Particulars	Non-current		Current	
		As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
		₹	₹	₹	₹
i. Secured Loans					
A. Loans From Banks					
1 Andhra Bank	42,56,26,500	19,33,00,000	9,73,500		
2 Bank of India	87,45,00,000	39,71,00,000	20,00,000		
3 Canara Bank	65,59,00,000	29,78,00,000	15,00,000		
4 Central Bank of India	43,73,00,000	19,86,00,000	10,00,000		
5 IDBI Bank Ltd.	1,53,02,00,000	69,48,00,000	35,00,000		
6 Indian Overseas Bank	43,73,00,000	19,86,00,000	10,00,000		
7 Oriental Bank of Commerce	43,73,00,000	19,86,00,000	10,00,000		
TOTAL (A)	4,79,81,26,500	2,17,88,00,000	1,09,73,500		
B. Loans From Financial Institutions					
1 LIC of India	43,73,00,000	19,86,00,000	10,00,000		
2 India Infrastructure Finance Co. Ltd.	87,45,00,000	-	20,00,000		
TOTAL (B)	1,31,18,00,000	19,86,00,000	30,00,000		
C. Subordinate Debt					
India Infrastructure Finance Co. Ltd.	80,00,00,000	-	-		
TOTAL (C)	80,00,00,000				
Total Secured Loans (A) + (B) + (C) (Refer Note 5(I), 5(II) and 5(III))	6,90,99,26,500	2,37,74,00,000	1,39,73,500		
ii. Unsecured Loans					
From Related Parties (Zero Interest Subordinate Loan)					
Gayatri Projects Ltd. (Refer Note 5(IV))	1,00,15,99,644	2,04,87,644			
	1,00,15,99,644	2,04,87,644			
(I+II) Total Long Term Borrowings	7,91,15,26,144	2,39,78,87,644	1,39,73,500		

I Nature of Security for Secured Loans:

A. Term Loans from banks and financial institutions are secured by:

- a) First mortgage and charge on all the borrower's immovable properties, present and future, if any, save and except the Project Assets.
- b) a first charge by way of hypothecation on all the Borrower's tangible moveable assets, including but not limited to all current/ non-current assets, moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, all other movable assets, both present and future, save and except the Project Assets.
- c) a first charge on all the Borrower's bank accounts including but not limited to the Escrow Account/its Sub-Accounts that may be opened in accordance with the Common Loan Agreement, the Supplementary Escrow Agreement, or any of the other Project Documents where all revenues, disbursements, receivables shall be deposited and on all funds from time to time deposited therein and on all permitted investments or other securities representing all amounts credited to the Escrow Account.
- d) a first charge on all intangibles of the Borrower including but not limited to goodwill, rights, undertakings, uncalled capital and intellectual property rights, both present and future, save and except the Project Assets (provided that all amounts received on account of any of these shall be deposited in the Escrow Account and that the charges on the same shall be subject to the extent permissible as per the priority specified in the Clause 31 of the Concession Agreement and Clause 4 of the Escrow Agreement). Further, a charge on uncalled capital, as set in above, shall be subject however to the provisions of Clauses 5.3 and 7.1 (k) and Clause 31 of the Concession Agreement.
- e) an assignment by way of security
 - (i) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under the Project Documents, duly acknowledged and consented to by the relevant counter-parties to such Project Documents to the extent not expressly provided in each such Project Document, all as amended, varied or supplemented from time to time;
 - (ii) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under all the Approvals and Insurance Contracts; and
 - (iii) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under any letter of credit, guarantees including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents.
- f) pledge of equity shares (in dematerialised form) held by the Sponsor constituting 51% (fifty one percent) of the total paid up and voting equity share capital of the Borrower until the Final Settlement Date.
- g) an irrevocable and unconditional guarantee from the Sponsor for meeting the shortfall between Secured Obligations then outstanding and the amounts receivable by the Lenders in accordance with Clause 4.2 of the Escrow Agreement in case of Termination of Concession Agreement for any reason.

SAI MAATARINI TOLLWAYS LIMITED
Notes to the Financial Statements for the year ended March 31, 2015

B. Subordinate Debt from India Infrastructure Finance Co. Ltd. is secured by:

- a) Mortgage and second charge on all the borrower's immovable properties, present and future, if any, save and except the Project Assets.
- b) A second charge by way of hypothecation on all the Borrower's tangible moveable assets, including but not limited to all current/ non-current assets, moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, all other movable assets, both present and future, save and except the Project Assets.
- c) A second charge on all the borrower's bank accounts including but not limited to the Escrow Account/its sub-accounts that may be opened in accordance with any of the Project Agreement.
- d) A second charge on all intangibles of the Borrower including but not limited to goodwill, rights, undertakings, uncalled capital and intellectual property rights, both present and future, save and except the Project Assets (provided that all amounts received on account of any of these shall be deposited in the Escrow Account and that the charges on the same shall be subject to the extent permissible as per the priority specified in the Clause 31 of the Concession Agreement and Clause 4 of the Escrow Agreement). Further, a charge on uncalled capital, as set in above, shall be subject however to the provisions of Clauses 5.3 and 7.1 (k) and Clause 31 of the Concession Agreement.
- e) an assignment by way of security
 - (i) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under the Project Documents, duly acknowledged and consented to by the relevant counter-parties to such Project Documents to the extent not expressly provided in each such Project Document, all as amended, varied or supplemented from time to time;
 - (ii) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under all the Approvals and Insurance Contracts; and
 - (iii) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under any letter of credit, guarantees including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents.
- f) An irrevocable and unconditional corporate guarantee from the Sponsor.

II. Terms of repayment of Secured Loans

- A. The Company shall repay the Term Loans to the Lenders in 48 (forty eight) unequal quarterly instalments commencing after the Moratorium Period, as specified in the Amortization Schedule to the Common Loan Agreement dated June 26, 2013. The first repayment instalment shall be due on January 1, 2016. The last repayment instalment shall be paid on October 1, 2027.
- B. The Company shall repay the Subordinate Loan to the Subordinate Lender in 18 quarterly installments commencing after the Moratorium Period, as specified in the Amortization Schedule to the Subordinate Loan Agreement. The first repayment installment shall be due on January 1, 2023. The last repayment installment shall be paid on April 1, 2028. However, the Sponsor, in addition to the Sponsor's Contribution without any recourse to the lenders and/or the secured property to the satisfaction of the lenders infuse an amount equivalent to the debt service obligations of the borrower under the subordinate facility, in advance on year-on-year basis, as per the repayment schedule stipulated by the subordinate lender.

III. Rate of Interest on Secured Loans

- A. Applicable Interest Rate on Term Loans shall be floating at - (a) Spread @ 2% p.a. above the Base Rate of the Lead Bank viz. IDBI Bank Ltd.; or (b) Spread @ 2% p.a. above the IIFCL benchmark rate, whichever is higher.
- B. Applicable Interest Rate on Subordinate Loan shall be floating at Spread, i.e. 2% p.a. above the Interest rate applicable to IDBI Bank Ltd. as per the Common Loan Agreement.

IV. Terms relating to Interest and Repayment of Unsecured Loans:

The amount advanced by holding Company is in the nature of promoters' contribution which carries Nil rate of Interest. The loan is sub-ordinate to the Term Loan to be availed from the lenders and the same will be paid after repayment of Term Loans in full.

6. OTHER LONG TERM LIABILITIES

S.No	Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
1	Retention Money Payable	5,27,49,111	36,47,22,278
2	Interest on Sub-debt Payable	6,08,99,425	-
		11,36,48,536	36,47,22,278

7. TRADE PAYABLES

S.No	Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
1	Trade Payables - Other than acceptances	1,02,13,442	1,59,28,042
	(Refer Note No. 7.1 and 23)	1,02,13,442	1,59,28,042

- 7.1** According to the records available with the Company, there are no dues payable to entities that are classified as Micro, Small and Medium Enterprises Development Act, 2006 during the year. Hence disclosures, if any, relating to amounts unpaid as at the period end together with the interest paid/payable as required under the said Act have not been given.

SAI MAATARINI TOLLWAYS LIMITED

Notes to Financial Statements for the year ended March 31, 2015

FIXED ASSETS

9. TANGIBLE ASSETS

S.No.	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		As at 01.04.2014	Additions during the year	As at 31.03.2015	Upto 01.04.2014	Adjusted against Opening Reserve	For the Year	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
1	Office Equipment	35,200	-	35,200	3,100	-	7,036	10,136	25,064	32,100
2	Vehicles	14,49,601	-	14,49,601	69,799	-	1,84,007	2,53,806	11,95,795	13,79,802
3	Computer	-	45,650	45,650	-	-	1,207	1,207	44,443	-
	TOTAL	14,84,801	45,650	15,30,451	72,899	-	1,92,250	2,65,149	12,65,302	14,11,902
	Previous Year	-	14,84,801	14,84,801	-	-	72,899	72,899	14,11,902	-

₹

SAI MAATARINI TOLLWAYS LIMITED
Notes to the Financial Statements for the year ended March 31, 2015

8. OTHER CURRENT LIABILITIES

S.No	Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
1	Current maturities of long-term borrowings	1,39,73,500	-
2	Creditors for capital expenditure	28,53,64,796	81,95,14,589
3	Payables to Related Parties	4,00,000	3,44,12,520
4	Statutory Payables	6,96,58,601	5,06,97,308
5	Interest accrued and due	-	1,73,84,330
	Total	36,93,96,897	92,20,08,747

10. INTANGIBLE ASSETS UNDER DEVELOPMENT

S.No	Particulars	As at March 31, 2014	Addition During the Year	As at March 31, 2015
A.	Construction Cost			
	EPC Cost (including Mobilisation Amount)	4,86,41,38,576	3,83,19,37,348	8,69,60,75,924
	Other Construction Cost	-	4,30,63,661	4,30,63,661
	Sub-Total :: A	4,86,41,38,576	3,87,50,01,009	8,73,91,39,585
B.	Preoperative Expenses pending allocation			
	Financial Charges	24,77,20,369	57,68,54,845	82,45,75,214
	Salaries and wages	35,50,968	28,54,626	64,05,594
	Legal and Professional Charges	3,42,83,980	5,51,95,058	8,94,79,038
	Travelling & Conveyance	14,57,569	11,33,511	25,91,080
	Site Administration Expenses	1,75,28,797	89,54,851	2,64,83,648
	Rent-Site Office	4,28,940	3,25,000	7,53,940
	Rates and Taxes, Filing Fees	13,49,207	2,18,256	15,67,463
	Insurance Expenses	21,49,625	93,74,530	1,15,24,155
	Miscellaneous	1,09,514	2,33,500	3,43,014
	Sub-Total :: B	30,85,78,969	65,51,44,177	96,37,23,146
C.	Less: Pre-Operative Income			
	Utility Shifting Work Expenses	1,20,99,002	4,15,36,227	5,36,35,229
	Less: Utility Shifting Work Receipts	1,20,99,002	4,15,36,227	5,36,35,229
	Income from Mutual Funds	-	60,23,788	60,23,788
	Sub-total :: C	-	60,23,788	60,23,788
	Grand Total (A+B-C)	5,17,27,17,545	4,52,41,21,398	9,69,68,38,943

11. LONG TERM LOANS AND ADVANCES

S.No	Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
1	Material Advance to Related Party (Unsecured, considered good) – Gayatri Projects Ltd.	63,17,73,812	30,79,86,060
	Total	63,17,73,812	30,79,86,060

12. CASH AND BANK BALANCES

S.No	Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
	Cash and Cash Equivalents:		
1	Cash on hand	29,934	8,305
2	Balances with banks - In current accounts	35,77,64,191	25,52,618
	Total	35,77,94,125	25,60,923

SAI MAATARINI TOLLWAYS LIMITED
Notes to the Financial Statements for the year ended March 31, 2015

13. OTHER CURRENT ASSETS

S.No	Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
1	Tax Deducted at Source	9,47,315	2,53,176
2	Retention Money	19,31,020	5,59,813
3	Withheld amount	1,59,000	1,59,000
4	Prepaid Expenses	1,41,40,134	1,17,60,553
5	Other Advances	50,000	60,234
	Total	1,72,27,469	1,27,92,776

14. WORKS CONTRACT REVENUE

S.No	Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
1	Works Contract Revenue	5,36,35,229	1,20,99,002
2	Less: Transferred to Intangible Assets under Development	(5,36,35,229)	(1,20,99,002)
	Total	-	-

15. OTHER INCOME

S.No	Particulars	Year Ended March 31, 2015 (₹)	Year Ended March 31, 2014 (₹)
1	Dividend from Mutual Funds	-	17,191
2	Interest Income	18,604	-
	Total	18,604	17,191

16. WORKS CONTRACT EXPENSES

S.No	Particulars	Year Ended March 31, 2015 (₹)	Year Ended March 31, 2014 (₹)
1	Works Contract Revenue	5,36,35,229	1,20,99,002
2	Less: Transferred to Intangible Assets under Development	(5,36,35,229)	(1,20,99,002)
	Balance transferred to Statement of Profit and Loss	-	-

17. EMPLOYEE BENEFITS EXPENSE

S.No	Particulars	Year Ended March 31, 2015 (₹)	Year Ended March 31, 2014 (₹)
1	Salaries	64,05,594	35,50,968
2	Less: Transferred to Intangible Assets under Development	(64,05,594)	(35,50,968)
	Balance transferred to Statement of Profit and Loss	-	-

SAI MAATARINI TOLLWAYS LIMITED
Notes to the Financial Statements for the year ended March 31, 2015

18. FINANCE COSTS

S.No	Particulars	Year Ended March 31, 2015 (₹)	Year Ended March 31, 2014 (₹)
1	Bank Guarantee Commission	46,09,094	46,09,094
2	Syndication Fee	3,90,57,031	3,90,57,031
3	Appraisal Fee	56,18,000	56,18,000
4	Processing Fee	20,84,278	5,61,800
5	Security trust fee	11,82,858	5,46,793
6	Escrow Account Charges	11,23,600	5,61,800
7	Lender Agent fee	11,23,600	5,61,800
8	Modification Fee	32,02,260	14,04,500
9	Upfront Fee	5,52,62,862	5,30,15,662
10	Management Fee	79,79,024	19,89,121
11	Interest on Term Loan	64,24,33,182	13,97,94,768
12	Less: Transferred to Intangible Assets under Development	(76,36,75,789)	(24,77,20,369)
	Balance transferred to Statement of Profit and Loss	-	-

19. OTHER EXPENSES

S.No	Particulars	Year Ended March 31, 2015 (₹)	Year Ended March 31, 2014 (₹)
1	Conveyance	3,095	10,645
2	Legal & Professional Expenses	59,236	-
3	Office Maintenance	29,943	14,168
4	Audit Fee	2,49,720	2,24,720
5	Printing & Stationery	32,238	31,695
6	Interest on TDS	16,91,949	40,76,792
	Total	20,66,181	43,58,020

20. CONTINGENT LIABILITIES

- I **Contingent Liabilities**
Nil (Previous Year - Nil)
- II **Claims**
Nil (Previous Year - Nil)

21. Estimated amount of contracts remaining to be executed on Capital Account (net of mobilization amount) - ₹ 1150,39,24,076/- (Previous Year ₹ 1556,76,73,549/-)
22. Provision for Current Tax has not been made since the company has incurred loss for the year. Deferred tax asset on business loss has not been recognised as a measure of prudence.

SAI MAATARINI TOLLWAYS LIMITED
Notes to the Financial Statements for the year ended March 31, 2015

23. Related Party Disclosures:

a. Following is the list of Related Parties

- i. Holding Company
a. Gayatri Projects Ltd

ii. Key Management personnel

- a. T. Rajiv Reddy – Managing Director
b. T.V. Sandeep Kumar Reddy – Director
c. P.K. Sahoo - Chief Financial Officer

iii. Relatives of Key Management personnel

- a. T. Subbarami Reddy
b. T. Indira Subbarami Reddy

iv. List of Enterprises in which Key Management personnel and /or their relatives have significant influence

- a. Gayatri Jhansi Roadways Limited
b. Gayatri Lalitpur Roadways Limited
c. Hyderabad Expressways Limited
d. Cyberabad Expressways Limited
e. Indore Dewas Tollways Limited
f. HKR Roadways Limited

b. Details of transactions with related parties during the period ended March 31, 2015 and balances as at March 31, 2015

Nature of Transactions	Holding Company	Key Management Personnel	Enterprises significantly influenced by the Key Management Personnel and/or their relatives
Transactions during the year			
Equity Share Capital – Received	-	-	-
	(1,80,11,02,583)		
Unsecured Loan	98,11,12,000	-	-
	(5,84,197)		
Reimbursement of expenses	64,69,982	-	-
	(9,89,97,200)		
EPC Work in Progress	3,83,19,37,348	-	-
	(3,52,08,38,576)		
Material Advance	32,37,87,752	-	-
	(30,79,86,060)		
Work Contract Expenses	5,36,35,229	-	-
	(23,07,196)		
Remuneration to Key Management Personnel		3,50,000	-
		(-)	
Year end balances as at 31st March 2015			
Unsecured Loan	1,00,15,99,644	-	-
	(2,04,87,644)		
Other Long Term Liabilities	5,27,49,111	-	-
	(36,47,22,278)		
Trade Payables	28,53,64,796	-	-
	(81,95,14,589)		
Other Current Liabilities	4,00,000	-	-
	(3,44,12,520)		

Note: Figures in brackets represent previous year transactions/balances.

24. EARNINGS PER SHARE

Basic and Diluted earnings per share are calculated as per Accounting Standard 20 "Earnings per Share"

S.No	Particulars	Year Ended March 31, 2015 (₹)	Year Ended March 31, 2014 (₹)
1	Net Profit/(Loss) after tax attributable to Equity shareholders :: A	(20,47,577)	(43,40,829)
2	Weighted Average number of Equity Shares outstanding :: B	1,00,00,843	34,30,914
	Basic and Diluted Earnings (Loss) per share :: A / B	(0.20)	(1.27)

SAI MAATARINI TOLLWAYS LIMITED
Notes to the Financial Statements for the year ended March 31, 2015

25. AUDITOR'S REMUNERATION:

S.No	Particulars	Year Ended March 31, 2015 (₹)	Year Ended March 31, 2014 (₹)
1	For Statutory Audit	2,00,000	2,00,000
2	For Tax Audit	25,000	-
3	For Other Services	45,000	42,500
4	Service Tax	36,462	29,973
	Total	3,06,462	2,72,473

26. Earnings and Expenditure in Foreign Currency: ₹ Nil (Previous Year ₹ Nil)

27. C.I.F value of imports ₹ Nil (Previous Year ₹ Nil)

28. Previous year figures have been regrouped / rearranged wherever necessary to conform to the current year presentation.



Hyderabad, May 20, 2015

T. RAJIV REDDY
Managing Director
DIN: 06859435

Signatories to Notes "1 to 28"

For and on behalf of the Board

T.V. SANDEEP KUMAR REDDY
Director
DIN: 00005573

P.K. SAHOO
Chief Financial Officer