

INDEPENDENT AUDITOR'S REPORT

To the members of Balaji Highways Holding Private Limited

Report on the Financial Statements

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

Management's Responsibility for the 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 of the Assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



Opinion

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

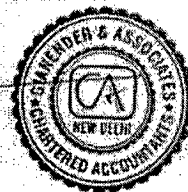
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with 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 written representations received from the directors, as on 31st March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company does not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d.

Place: Hyderabad
Date: May 9, 2015

For GIANENDER & ASSOCIATES
Chartered Accountants
Firm Registration No. 004661N


CA. G.K. AGRAWAL
Partner
Membership No. 81603



Annexure referred to in paragraph I under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Balaji Highways Holding Private Limited


- i. The Company has no tangible or intangible fixed assets during the year, hence paragraph 3 clause (i) of the Companies (Auditor's Report) Order 2015 relating to fixed assets is not applicable to the Company;
- ii. The company has no inventories, hence there is nothing to report in terms of paragraph 3 clauses (ii)(a),(ii)(b) and (ii)(c) of the Companies (Auditor's Report) Order 2015 relating to inventory;
- iii. The Company has not granted secured / unsecured loans to parties covered in the register maintained under section 189 of the Act. Accordingly, sub-clause (a) and (b) of clause (iii) of paragraph 3 of the Companies (Auditor's Report) Order 2015 are not applicable;
- iv. In our opinion and according to the information and explanations given to us, the internal control procedures are generally adequate and commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls system;
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, are not applicable to the Company;
- vi. According to the information and explanations given to us, we are of the opinion that prima facie, cost records prescribed, pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 of the Act, are made and maintained;
- vii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company is generally regular in depositing undisputed statutory dues relating to provident fund, income tax deducted at source, service tax, value added tax and other statutory dues during the year with the appropriate authorities. We are informed that the provisions of employees' state insurance, wealth tax, duty of customs, duty of excise, cess are not applicable to the company. As per the records produced before us, there are no undisputed statutory dues which were outstanding as on 31st March 2015 for a period over six months from the date of same becoming payable;
 - a) According to the information and explanations given to us, there are no statutory dues pending in respect of income tax, sales tax, value added tax, service tax, duty of customs, wealth tax, duty of excise, cess on account of any dispute;
 - b) According to the information and explanations given to us, no amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under;
 - c) According to the information and explanations given to us, no amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under;
- viii. The accumulated losses of the company are more than fifty percent of its net-worth. The company has incurred cash loss during the year as well as in the immediately preceding year.



- ix. Company has not taken any loan from any financial institutions or bank. The Company has not issued any debentures;
- x. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions;
- xi. The company has not taken any loan, hence clause (xi) of paragraph (3) of the Companies (Auditor's Report) Order 2015 is not applicable to the Company.
- xii. According to information and explanations given to us, which have been relied upon by us, no fraud on or by the Company has been noticed or reported during the year.

Place: Hyderabad
Date: May 9, 2015

For GIANENDER & ASSOCIATES
Chartered Accountants
Firm Registration No. 00466


CA. G.K. AGRAWAL
Partner
Membership No. 81603



BALAJI HIGHWAYS HOLDING PRIVATE LIMITED

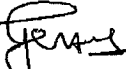
Balance Sheet as at 31st March 2015

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	Note	As at 31.03.2015		As at 31.03.2014	
EQUITY AND LIABILITIES					
1) SHAREHOLDERS' FUNDS					
a. Share Capital	3	10,00,000		10,00,000	
b. Reserves and Surplus	4	(11,90,690)		(10,13,676)	
2) CURRENT LIABILITIES					
a. Other current liabilities	5	1,23,01,499		5,45,499	
TOTAL		1,21,10,809		5,31,823	
ASSETS					
1) NON-CURRENT ASSETS					
a. Non-Current Investments	6	1,21,06,550		4,06,550	
2) CURRENT ASSETS					
a. Cash and Cash equivalents	7	4,259		1,25,273	
TOTAL		1,21,10,809		5,31,823	

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached
For GIANENDER & ASSOCIATES
Chartered Accountants
Firm Regn No. 004661N


G.K. AGRAWAL
Partner



For and on behalf of the Board


J. BRIJ MOHAN REDDY
Director


T. RAJIV REDDY
Director

Place: Hyderabad
Date: May 9, 2015

BALAJI HIGHWAYS HOLDING PRIVATE LIMITED

Statement of Profit and Loss for the year ended 31st March 2015

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PARTICULARS	Note	For the year ended 31st March 2015	For the year ended 31st March 2014
I Revenue from Operations		-	-
II Other Income		-	-
III TOTAL REVENUE		-	-
IV Expenses:			
Other Expenses	8	1,77,014	1,78,464
TOTAL EXPENSES		1,77,014	1,78,464
V PROFIT / (LOSS) BEFORE TAX		(1,77,014)	(1,78,464)
VI Tax expense			
1. Current tax		-	-
2. Deferred tax		-	-
VII PROFIT / (LOSS) AFTER TAX (V - VI)		(1,77,014)	(1,78,464)
Add: Profit/(Loss) brought forward from previous year		(10,13,676)	(8,35,212)
VIII BALANCE CARRIED TO BALANCE SHEET		(11,90,690)	(10,13,676)
IX Earnings / (Loss) per equity share			
Basic and Diluted	16	(1.77)	(1.78)

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For GIANENDER & ASSOCIATES

Chartered Accountants

Firm Regn. No. 004661N

G.K. AGRAWAL

Partner



Place: Hyderabad

Date: May 9, 2015

For and on behalf of the Board

J. BRIJ MOHAN REDDY

Director

T. RAJIV REDDY

Director