



# Independent Auditors' Report

## To the Members of C & C Constructions Limited

### Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of C & C Constructions Limited which comprises the Balance Sheet as at 31-Mar-2018, 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 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 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 of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

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 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 standalone financial statements based on our audit.

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

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 are 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 financial position of the company as at 31.03.2018, and its financial performance including other comprehensive income, its Cash Flows and the changes in equity for the year ended on that date.

### Emphasis of Matter

We draw attention to Note Nos. 4 & 8 to the standalone Ind AS financial statements regarding Amount due from Customers (Claims) amounting to ₹ 198.59 and Unbilled Revenue (Claims Inventory) amounting to ₹ 637.25 Crores as at March 31, 2018 aggregating to ₹ 835.84 Crores, representing claims made by the Company which are subject matter of arbitration. Pending ultimate outcome of the matter which is presently unascertainable, no adjustments have been made in the standalone Ind AS financial statements. Our opinion is not qualified in respect of this matter.

### Other Matters

- (a) The comparative financial information of the Company as at and for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory standalone financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and audited by A S G & Associates, Chartered Accountants for the years ended 31 March 2017 and 31 March 2016 whose reports dated 29 May 2017 and 09 June 2016, respectively, expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.
- (b) We did not audit the Ind AS financial statements of two overseas branches and eleven jointventures included in the standalone Ind AS financial statements of the Company, whose financial statements reflect total assets of ₹ 735.06 Crores as at 31 March 2018 and total revenue of ₹ 649.83 Crores for the year ended on that date, as considered in the standalone Ind AS financial statements. The standalone Ind AS financial statements of two overseas branches and eleven jointly

controlled operations have been audited by other auditors, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such other auditors.

The audited standalone Ind AS financial statements in respect of nine joint ventures have not been furnished to us. According to the information and explanations provided to us, the promoter company of five Joint Ventures (Isolux Group), has become insolvent in Spain and the JV Partner is in the process of filing insolvency in India. The management has included these five joint operations in its Ind AS financial statements as per the latest audited statements (for the year ended 31-Mar-2016) and other books of accounts available with them. Our opinion in so far as it relates to the amounts and disclosures in respect of these joint operations is solely based on report of the other auditors and where audited Ind AS financial statements are not available, as per the latest available books of accounts, as provided by the management of the Company. In the absence of sufficient appropriate evidence, we are unable to comment upon the carrying value of those figures as appearing in the latest audited financial statements and other books of accounts and its consequential impact, if any, on the accompanying standalone financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements and other financial information are not material to the Group. Our opinion is not qualified in respect of this matter.

#### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure 'A', a statement on matters specified in paragraph 3 & 4 of the said order.

1. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet and the Statement of Profit and Loss & cash flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) In our opinion there are no observations or comments on the financial transactions, which may have an adverse effect on the functioning of the Company.
  - f) On the basis of the written representations received from the directors as on 31-Mar-2018 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31-Mar-2018 from being appointed as a director in terms of section 164(2) of the Act.

- g) Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") is enclosed as Annexure 'B', to this report.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note No.41 to the Ind AS financial statements.
  - ii) The Company has a process whereby periodically all long term contracts [including derivatives contracts] are assessed for material foreseeable losses. At the year end, the company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long-term contracts [including derivative contracts] has been made in the books of accounts.
  - iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

**For Bedi Saxena & Co.**  
Chartered Accountants  
FRN: 000776C

**Rajesh Bedi**  
(Partner)  
M. No. : 070300

Place: Gurgaon  
Date : 29.05.2018



**ANNEXURE –‘A’ TO THE AUDITORS REPORT**

The Annexure referred to in Independent Auditors’ Report to the members of C&C Constructions Limited on the Ind AS financial statements for the year ended 31-Mar-2018, we report that:

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

1. a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) The title deeds of immoveable properties are held in the name of the company.
2. As explained to us, the inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records have been properly dealt with in the books of accounts.
3. The company has granted loan to the companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
  - a) The terms and conditions of the grant of such loans are not prejudicial to the company’s interest.
  - b) No Schedule of repayment of principal has been stipulated and also there is no stipulation with regards to interest.
  - c) No Schedule of repayment of principal and payment of interest has been stipulated and therefore there is no overdue amount.
4. In respect of loans, investments guarantees, and security, the provisions of section 185 and 186 of the Companies Act, 2013 have been duly complied with by the company. For investments made, advances given or guarantees provided exceeding the limits laid down in Section 186 of the Act, directors have prior permission by way of special resolution passed at a General Meeting.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in contravention of Directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable . No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
6. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government of India, regarding the maintenance of Cost Records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of the records with the view to determine whether they are accurate or complete.
7. a) According to the records of the company the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees’ state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty,

Cess and other material statutory dues applicable to it, though there has been delay in few cases.

According to the information and explanations given to us, undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, custom duty, excise duty and Cess that were in arrears, as at 31-Mar-2018 for a period of more than six months from the date they became payable are given below.

Name of Authority	Amount ( ₹ in Lacs)
Service Tax	480.80
TDS/TCSPayable	1327.70
Provident Fund	175.20
VAT/WCT	636.68
GST	11.40
Professional Tax	0.28
Labour Cess	0.92

7. b) According to the information and explanations given to us, the dues of sales tax, income tax, custom duty, wealth tax, excise duty and Cess that have not been deposited with appropriate authorities on account of any dispute and the forum where the disputes are pending are given below

Name of The Statute	Nature of The Disputed Dues	Amount ( ₹ in lacs)	Period To Which The Amount Relates	Forum Where Dispute is Pending
U.P Trade Tax Act	Demand against material purchased against ‘C’ form	35.26 (Amount deposited 12.34 lacs + BG Provided 22.92 Lakhs)	F.Y-2002-2003	Joint Commissioner (Appeals) Noida, UP
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	48.22 (Amount deposited NIL)	F. Y. 2000-2001	Income Tax Officer (TDS) New Delhi
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	7.05 (Amount deposited NIL)	F. Y. 2007-2008	Income Tax Officer (TDS) New Delhi
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	29.00 (Amount deposited NIL)	F. Y. 2008-2009	Income Tax Officer (TDS) New Delhi
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	11.28 (Amount deposited NIL)	F. Y. 2009-2010	Income Tax Officer (TDS) New Delhi
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	31.23 (Amount deposited NIL)	F. Y. 2010-2011	Deputy Commissioner of Income Tax, Gurgaon

Name of The Statute	Nature of The Disputed Dues	Amount ( ` in lacs)	Period To Which The Amount Relates	Forum Where Dispute is Pending
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	79.82 (Amount deposited NIL)	F. Y. 2011-2012	Deputy Commissioner of Income Tax, Gurgaon
Entry Tax	Demand against Entry Tax on Material Purchase	245.65 (Amount Deposited 32.79 Lakhs)	F. Y. 2011-2012	The joint Commissioner of Commercial Taxes (Appeal), Magadh Division, Gaya, Bihar
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	79.65 (Amount deposited NIL)	F. Y. 2013-2014	Deputy Commissioner of Income Tax, Gurgaon
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	57.69 (Amount deposited NIL)	F. Y. 2014-2015	Deputy Commissioner of Income Tax, Gurgaon
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	47.47 (Amount deposited NIL)	F. Y. 2015-2016	Deputy Commissioner of Income Tax, Gurgaon
Income Tax Department	Demand against Short Deduction and interest, subject to rectification	10.55 (Amount deposited NIL)	F.Y. 2016-2017	Deputy Commissioner of Income Tax, Gurgaon
Income Tax Department	Demand against Short Deduction and interest, subject to rectification	00.60 (Amount deposited NIL)	F.Y. 2017-2018	Deputy Commissioner of Income Tax, Gurgaon
Service Tax Department	Penalty under section 78	886.74 (Amount deposited NIL)	F. Y. 2011- to 2014	Commissioner of Service Tax, Gurgaon
Sales Tax Department	Addition Demand for Interstate purchase against composition scheme.	1118.18 (Amount deposited NIL)	F.Y.2013-2016	ACATO (Ward No.89) Dept. of Trade and Taxes, Govt of NCT of Delhi
Provident Fund	Appeal Under Section 7-I of the Employee's Provident fund & Miscellaneous Provision Act 1952 towards 14-B Damage Charges	53.01 (Amount deposited NIL)	F.Y.2013-2016	Presiding Officer, Employees Provident Fund Appellate Tribunal, New Delhi
Provident Fund	Appeal Under Section 7-I of the Employee's Provident fund & Miscellaneous Provision Act 1952 towards 14-B Damage Charges	43.21 (Amount deposited NIL)	F.Y.2014-2017	Presiding Officer, CGIT Cum Labour Court-I Employees Provident Fund Appellate Tribunal, New Delhi

**Disputed Demands of Joint Ventures (Applicable share):**

Name of The Statute	Nature of The Disputed Dues	Amount ( ` in lacs)	Period To Which The Amount Relates	Forum Where Dispute is Pending
Income Tax	Penalty under section 271(1)(c)	145.92 (Amount deposited 22 lacs)	F.Y-2008-2009	CIT, Appeal, New Delhi
Sales Tax	Penalty u/s 56 of Punjab Vat Act 2005	260.12 (Amount Deposited NIL)	F.Y-2008-2009	Designated Officer- cum-Asst Excise & Taxation Commissioner, Amritsar-II
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	3.28 (Amount deposited NIL)	F. Y. 2007-2008	Income Tax Officer (TDS)New Delhi
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	3.29 (Amount deposited NIL)	F. Y. 2008-2009	Income Tax Officer (TDS)New Delhi
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	7.71 (Amount deposited NIL)	F. Y. 2009-2010	Income Tax Officer (TDS)New Delhi
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	0.40 (Amount deposited NIL)	F. Y. 2010-2011	Income Tax Officer (TDS)New Delhi
Sales Tax Department	Penalty u/s 60 of Punjab Vat Act 2005	38.06 (Amount deposited 6.09)	F. Y. 2010-2011	Designated Officer- cum-Asst Excise & Taxation Commissioner, Amritsar-II
Service Tax	Additional demand of service tax on toll plaza building	14.13 (Amount Deposited NIL)	F. Y. 2011-2012	The Commissioner (Appeals) Central Goods & Service Tax, Jalandar
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	4.55 (Amount deposited NIL)	F. Y. 2011-2012	Income Tax Officer (TDS)New Delhi
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	32.58 (Amount deposited NIL)	F. Y. 2012-2013	Income Tax Officer (TDS)New Delhi
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	96.53 (Amount deposited NIL)	F. Y. 2013-2014	Income Tax Officer (TDS)New Delhi



Name of The Statute	Nature of The Disputed Dues	Amount ( ` in lacs)	Period To Which The Amount Relates	Forum Where Dispute is Pending
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	32.44 (Amount deposited NIL)	F. Y. 2014-2015	Income Tax Officer (TDS)New Delhi
Income Tax Department	Demand against Short Deduction and interest, subject to rectification.	8.08 (Amount deposited NIL)	F. Y. 2015-2016	Income Tax Officer (TDS)New Delhi
Income Tax Department	Demand against Short Deduction and interest, subject to rectification	7.75 (Amount deposited NIL)	F. Y. 2016-2017	Income Tax Officer (TDS)New Delhi
Income Tax Department	Disallowance of Additional Depreciation	289.15 (Amount deposited 289.15 )	F. Y. 2003-2004	High Court, New Delhi
Income Tax Department	Disallowance of Additional Depreciation	321.45 (Amount deposited 321.45)	F. Y. 2005-2006	ITAT, New Delhi
Income Tax Department	Disallowance of Additional Depreciation	439.48 (Amount deposited 439.48)	F. Y. 2006-2007	ITAT, New Delhi
Income Tax Department	Disallowance of Additional Depreciation	157.03 (Amount deposited 157.03)	F. Y. 2007-2008	ITAT, New Delhi

Name of The Statute	Nature of The Disputed Dues	Amount ( ` in lacs)	Period To Which The Amount Relates	Forum Where Dispute is Pending
Income Tax Department	Disallowance of Additional Depreciation	309.81 (Amount deposited 309.81)	F. Y. 2008-2009	High Court, New Delhi
Income Tax Department	Disallowance of TDS Credit on Account of Mobilisation	15.33 (Amount deposited 15.33)	F. Y. 2009-2010	ACIT, Circle 62(1), New Delhi
Income Tax Department	Disallowance of TDS Credit on Account of Mobilisation	19.70 (Amount deposited 19.70)	F. Y. 2010-2011	ACIT, Circle 62(1), New Delhi
Income Tax Department	Disallowance of TDS Credit on Account of Mobilisation	48.68 (Amount deposited NIL)	F. Y. 2011-2012	ACIT, Circle 62(1), New Delhi
Income Tax Department	Disallowance u/s 40(a)(ii), 40(a)(ia), disallowance of depreciation of tipper and disallowance of TDS credit on account of Mobilisation	372.65 (Amount deposited 56 Lacs)	F. Y. 2012-2013	CIT, Circle 62(1), New Delhi
Income Tax Department	Penalty u/s 271(1)(c)	2.18 (Amount deposited 2 Lacs)	F. Y. 2011-2012	CIT, Appeal, New Delhi

8. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion, the company has defaulted in repayment of dues to a financial institution, bank, Government or dues to debenture holders. The detail of period and the amount of default as ascertained by the management is as follows: -

**Details of Continuing defaults in repayment of secured Term loan from bank and other under CDR:**

**FROM BANK**

**FITL**

**(Amount in `)**

Name of Bank	Principal Amount	Interest Accrued and Due	Total Amount Overdue	Period to Which it Relates
State Bank of India	242,929,250	163,509,859	406,439,109	Apr'14 to Mar'18
State Bank of Hyderabad	33,061,598	13,841,919	46,903,517	Jun'16 to Mar'18
ICICI Bank	3,019,654	838,802	3,858,456	Oct'17 to Mar'18
Oriental Bank of Commerce	35,915,750	30,246,976	66,162,726	Apr'14 to Mar'18
Central Bank of India	68,200,000	60,910,149	129,110,149	Jul'14 to Mar'18
State Bank of Patiala	72,864,000	29,434,275	102,298,275	Jun'16 to Mar'18
<b>TOTAL</b>	<b>455,990,252</b>	<b>298,781,980</b>	<b>754,772,232</b>	

WCTL

(Amount in `)

Name of Bank	Principal Amount	Interest Accrued and Due	Total Amount Overdue	Period to Which it Relates
State Bank of India	547,391,250	689,104,887	1,236,496,137	Apr'14 to Mar'18
State Bank of Patiala	178,425,000	166,725,845	345,150,845	Jun'16 to Mar'18
State Bank of Hyderabad	85,401,504	91,352,818	176,754,322	Jun'16 to Mar'18
Indusland Bank	-	780,984	780,984	Jul'17 to Mar'18
ICICI Bank	8,251,250	6,931,103	15,182,353	Sep'17 to Mar'18
IDBI	4,735,125	5,822,273	10,557,398	Mar'17 to Mar'18
Oriental Bank of Commerce	87,354,750	137,872,642	225,227,392	Apr'14 to Mar'18
Central Bank of India	141,867,750	189,144,905	331,012,655	Jul'14 to Mar'18
<b>TOTAL</b>	<b>1,053,426,629</b>	<b>1,287,735,457</b>	<b>2,341,162,086</b>	

CTL

(Amount in `)

Name of Bank	Principal Amount	Interest Accrued and Due	Total Amount Overdue	Period to Which it Relates
State Bank of Hyderabad (merged with SBI)	9,214,340	9,880,318	19,094,658	Jun'16 to Mar'18

MTL

(Amount in `)

Name of Bank	Principal Amount	Interest Accrued and Due	Total Amount Overdue	Period to Which it Relates
State Bank of Patiala (merged with SBI)	14,722,500	13,735,968	28,458,468	Jul'16 to Mar'18

FROM OTHERS

FITL

(Amount in `)

Name of Bank	Principal Amount	Interest Accrued and Due	Total Amount Overdue	Period to Which it Relates
Srei Equipment	5,298,832	422,938	5,721,770	Oct'15 to Dec., 17
L&T Infra Finance Ltd.	124,781,314	34,282,427	159,063,741	Oct'14 to Dec., 17
<b>TOTAL</b>	<b>130,080,146</b>	<b>34,705,365</b>	<b>164,785,511</b>	

CTL

(Amount in `)

Name of Bank	Principal Amount	Interest Accrued and Due	Total Amount Overdue	Period to Which it Relates
L&T Infra Finance Ltd.	449,489,616	238,741,851	688,231,467	Jan '14 to Dec '17
Srei Equipment	-	15,223,471	15,223,471	Nov '15 to Dec' 17
<b>TOTAL</b>	<b>449,489,616</b>	<b>253,965,322</b>	<b>703,454,938</b>	

Details of continuing defaults in repayment of Secured Term Loans for Machinery & Vehicles from Others under Non-CDR Scheme:

(Amount in `)

Name of Bank	Principal Amount	Interest Accrued and Due	Total Amount Overdue	Period to Which it Relates
Magma Fincorp Ltd	107,986	3,264	111,250	Dec '16 to Apr '17
SREI equipment Finance Pvt Ltd	31,069,729	22,866,086	53,935,815	Oct'17 & Mar '18
<b>TOTAL</b>	<b>31,177,715</b>	<b>22,869,349</b>	<b>54,047,065</b>	



**Detail of continuing defaults in repayment of interest on Demand Loans from Banks**

(Amount in `)

Name of Bank	Principal Amount	Interest (Overdue)	Total Amount Overdue	Overdue Period
DBS Bank Ltd	N.A.	218,439,410	218,439,410	Jun '12 to Mar '18
Standard Chartered Bank	N.A.	1,756,323	1,756,323	Mar'18
<b>TOTAL</b>		<b>220,195,733</b>	<b>220,195,733</b>	

**INTEREST ON CC/OD**

(Amount in `)

Name of Financer	Principal Amount	Interest (Overdue)	Total Amount Overdue	Overdue Period
State Bank of India	N.A.	489,105,718	489,105,718	Nov'14 to Mar'18
Central Bank of India	N.A.	145,409,932	145,409,932	Oct'14 to Mar'18
State Bank of Patiala(merged with SBI)	N.A.	196,743,364	196,743,364	Jul'16 to Mar'18
State Bank of Hyderabad(merged with SBI)	N.A.	100,530,791	100,530,791	Jul'16 to Mar'18
<b>TOTAL</b>		<b>931,789,805</b>	<b>931,789,805</b>	

9. The company has not raised moneys by way of initial public offer or further public offer (including debt instrument). However the moneys were raised by way of term loans which were applied for the purposes for which those were raised.
10. Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit, that causes the financial statements to be materially misstated.
11. The company has not paid any managerial remuneration for the year under consideration.
12. The company is not a Nidhi Company, hence, this clause is not applicable.
13. Based upon the audit procedures performed and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013, wherever, applicable, and the details have been disclosed in the Financial statements etc. as required by the applicable accounting standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. The company has not entered into any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Bedi Saxena & Co.**  
**Chartered Accountants**  
**FRN: 000776C**

**Rajesh Bedi**  
**(Partner)**  
**M. No. : 070300**

Place: Gurgaon  
 Date : 29.05.2018

## ANNEXURE 'B' TO THE AUDITORS REPORT

### 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 (The Company') as of 31-Mar-2018 in conjunction with our audit of the Ind AS standalone 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. 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 Companies Act, 2013.

#### 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 judgement, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial 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 31st March 2018 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.

**For Bedi Saxena & Co.**  
**Chartered Accountants**  
**FRN: 000776C**

**Rajesh Bedi**  
**(Partner)**  
**M. No. : 070300**

Place: Gurgaon  
Date : 29.05.2018