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**VIVA HIGHWAYS LIMITED**

**ANNUAL REPORT  
2015-16**

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**BOARD OF DIRECTORS**

<b>Mr. Ashish A. Kataria</b>	<b>Director</b>
<b>Mr. Aditya S. Parakh</b>	<b>Director</b>
<b>Mr. Gyan Chand Daga</b>	<b>Nominee Director – Ashoka Buildcon Limited</b>
<b>Mr. Albert Tauro</b>	<b>Independent Director</b>
<b>Mr. Nirbhaya K. Mishra</b>	<b>Independent Director</b>

**COMPANY SECRETARY**

**Mr. Manoj A. Kulkarni**

**AUDITORS**

<b>STATUTORY AUDITORS -</b>	<b>M/s. M. P. Chitale &amp; Co., Mumbai</b>
<b>INTERNAL AUDITORS -</b>	<b>M/s. SSK &amp; Co., Chartered Accounts, Nashik.</b>
<b>COST AUDITORS -</b>	<b>M/s. CY &amp; Associates, Cost Accountants, Nashik.</b>

**REGISTERED OFFICE**

**Ashoka House, Ashoka Marg, Nashik – 422 011**



**VIVA HIGHWAYS LIMITED  
NOTICE TO SHAREHOLDERS**

**NOTICE** is hereby given that the Fifteenth (15<sup>th</sup>) Annual General Meeting of Viva Highways Limited will be held on Wednesday, August 03, 2016 at 12.00 Noon at the registered office at – “Ashoka House”, Ashoka Marg, Nasik – 422 011 to transact the following business :

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Financial Statements including Balance Sheet as at March 31, 2015, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date along with the reports of the Board of Directors and Auditors thereon;
2. To confirm the payment of Interim Dividends of Rs. 13.50/-, Rs. 13.00/- and Rs. 15/- per equity share of Rs. 10/- each, paid during FY 2015-16.
3. To appoint Director in lace of Mr. Aditya S. Parakh, (DIN - 06368409) who retires by rotation and being eligible offers himself for re-appointment.

**“RESOLVED THAT** Mr. Aditya S. Parakh, (DIN - 06368409), who retires by rotation and being eligible, offers himself for re-appointment be and is hereby re-appointed as a Director, liable to retire by rotation.

4. To ratify the appointment of Statutory auditors for the financial year 2016-17 and to fix their remuneration and in this regard to consider and to pass the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of the Audit Committee and the Board of Directors and pursuant to the resolution passed by the Members at the Annual General Meeting held on August 16, 2014 approving the appointment of M/s M. P. Chitale & Co., Chartered Accountants, Mumbai (Firm Registration No.101851W), as the statutory auditors of the Company upto the conclusion of the AGM for the financial year 2016-17, the Company hereby ratifies the appointment of M/s M. P. Chitale & Co., Chartered Accountants, Mumbai (Firm Registration No.101851W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Sixteenth (16<sup>th</sup>) AGM of the Company to be held for FY 2016-17 to examine and audit the accounts of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

## **SPECIAL BUSINESS**

5. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 including any statutory modification/(s) or re-enactment/(s) thereof for the time being in force), M/s. Suraj Lahoti & Associates, Cost Accountants, Nashik (Firm Registration No. 101489) be and are hereby appointed as Cost Auditors for conducting audit of the Cost Records of the Company, for the financial year ending March 31, 2017 and be paid remuneration not exceeding Rs. 40,000/- (Rupees Forty Thousand Only) excluding service tax and the reimbursement of the actual out of pocket expenses, if any, as may be incurred by M/s. Suraj Lahoti, Cost Accountants, Nashik, for conducting the audit of the cost records of the Company of the financial year 2016-17.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

**For and on behalf of Board**

**Sd/-**

**Place : Mumbai  
Date : 12.05.2016**

**(Ashish A. Kataria)  
Chairman of the meeting  
(DIN- 00580763)**

**NOTES :**

1. Member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote, on behalf of himself/herself and the proxy need not be member of the company.
2. Proxy form duly stamped and executed in order to be effective must reach the registered office of the company not less than 48 hours before the time of commencement of the annual general meeting.
3. Members/proxies should fill the attendance slip for attending the meeting.
4. An explanatory statement pursuant to section 102 of the Companies Act, 2013 is annexed and forms part of this notice.

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF COMPANIES ACT, 2013**

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**ITEM NO. 5**

**Ratification of remuneration payable to the Cost Auditors for FY 2016-17**

On the recommendation of the Audit Committee, the Board of Directors has appointed M/s Suraj Lahoti & Associates, Cost Accountants, Nashik, as the Cost Auditor pursuant to Section 148 of Companies Act, 2013 to conduct the audit of the cost records of the Company for the financial year 2016-17 in respect of infrastructure services provided by the Company and has fixed a remuneration not exceeding Rs. 40,000/- (Rupees Forty Thousand Only) plus applicable service tax and reimbursement of actual out of pocket expenses, if any, as may be incurred by the Cost Auditor.

The resolution seeks the ratification of the remuneration payable to the Cost Auditor in terms of Rule 14 (a) of Companies (Audit and Auditors) Rules, 2014 as approved by the Board of Directors of the Company at its meeting held on May 12, 2016.

None of the Directors and Key Managerial Persons and their relatives are concerned or interested in the resolution.

The Board recommends the resolution at Item No. 5 for approval by the members as an ordinary resolution.

**By Order of the Board,  
Viva Highways Limited**

Sd/-

**(Ashish A. Kataria)  
Chairman of the meeting  
(DIN- 00580763)**



Dear Shareholders,  
 Viva Highways Limited.

Your Directors have pleasure in presenting the Fifteenth (15<sup>th</sup>) Annual Report of your Company for the year ended March 31, 2016.

**(1) FINANCIAL RESULTS**

Financial results of the Company for the year under review along with the figures for previous year are as follows:

Particulars	(Rs. in Lakhs)	
	2015-16	2014-15
Total Receipts / Gross Sales & Operating Income	19,456.40	12,665.35
Gross Profit before Depreciation, Amortization and Tax	15,947.23	9857.33
Depreciation and amortization	709.31	304.15
Profit before Tax	15,237.92	9553.18
Provision for Taxation	3,266.20	2102.66
Profit after Tax	11,971.72	7450.52
Earnings per share of Rs. 10/- each Basic / Diluted	122.06	75.96

**(2) OPERATIONS**

**Toll Collections:**

The Company is collecting toll on its project and operations are being carried on smoothly.

The Company has earned good profits from the sale of TDR and recognized the real estate turnover from the sale of flats (under joint development agreements) during the year. Further, Company has entered into Joint development agreements with prominent developers for its land parcels.

**(3) DIVIDEND**

Your Company had declared 3 interim dividends @ 135%, 130% and 150% of the face value of equity shares i.e. Rs. 13.50, Rs. 13.00 and Rs. 15.00 per share on June 26, 2015, January 15, 2016 and March 04, 2016 respectively, during the year under review.

The outflow on account of dividend for the Financial Year 2015-16 has been Rs. 48.99 Crore.

**(4) DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Director liable to retire by rotation**

Pursuant to the provisions of the section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Aditya S. Parakh, (DIN - 06368409), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

You are requested to re-appoint him.

**B. Independent Directors**

Pursuant to the provisions of section 149, 152 and Schedule IV and other applicable provisions of the Companies Act, 2013, Mr. Albert Tauro and Mr. Nirbhaya K. Mishra were appointed as Independent Directors of your Company at the Annual General Meeting held on September 05, 2015 to hold office for five (5) consecutive years up to March 31, 2020. The Independent Directors have confirmed that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

**C. Key Managerial Personnel**

Mr. Manoj Kulkarni, Company Secretary is the Key Managerial Personnel of your Company in accordance with the provisions of sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Mr. Manoj Kulkarni was appointed as Company Secretary of your Company in view of resignation of Mr. Prasad Deokar, Company Secretary.

**(5) NUMBER OF MEETINGS HELD**

**A. Board Meetings.**

The Board of Directors duly met 14 times during the financial year from April 1, 2015 to March 31, 2016. The dates on which the meetings were held are as follows:

<b>Sr. No.</b>	<b>Date of Meetings</b>
1	14.04.2015
2	06.05.2015
3	23.06.2015
4	26.06.2015
5	29.07.2015
6	17.08.2015
7	25.09.2015
8	05.10.2015



9	02.11.2015
10	20.11.2015
11	08.12.2015
12	15.01.2016
13	22.02.2016
14	04.03.2016

### Attendance

Sr. No	Name	No. of meetings held	No. of meetings attended
1	Mr. Ashish Kataria	14	14
2	Mr. Aditya Satish Parakh	14	14
3	Mr. Gyanchand Daga	14	07
4	Mr. Albert Tauro	14	04
5	Mr. Nirbhaya K. Mishra	14	04

### B. Audit Committee Meetings

The Members of Audit Committee duly met 4 times during the financial year from April 1, 2015 to March 31, 2016. The dates on which the meetings were held are as follows:

Sr. No.	Date of Meetings
1	06.05.2015
2	29.07.2015
3	02.11.2015
4	15.01.2016

### Attendance

Sr. No	Name	No. of meetings held	No. of meetings attended
1	Mr. Ashish Kataria	4	4
2	Mr. Albert Tauro	4	3
3	Mr. Nirbhaya K. Mishra	4	4

### C. Independent Director's Meetings

During the year, the Independent Directors met once on March 22, 2016. The Independent Directors, inter-alia, appreciated timeliness and quality of information sharing by the Management of the Company.

**(6) COMMITTEES**

**A) AUDIT COMMITTEE**

The Audit Committee of the Company comprises following Directors:

<b>Name</b>	<b>Status</b>	<b>Category</b>
Mr. Ashish A, Kataria	Chairman	Non-Executive
Mr. Nirbhaya K. Mishra	Member	Non-Executive and Independent
Mr. Albert Tauro	Member	Non-Executive and Independent

**B) NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration committee has been formed as on March 31, 2015, comprising of the following Directors:

<b>Name</b>	<b>Status</b>	<b>Category</b>
Mr. Ashish A, Kataria	Chairman	Non-Executive
Mr. Nirbhaya K. Mishra	Member	Non-Executive and Independent
Mr. Albert Tauro	Member	Non-Executive and Independent

**C) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The CSR Committee has been constituted in line with provisions of section 135 of Companies Act, 2013 and comprises of following Directors:

<b>Name</b>	<b>Status</b>	<b>Category</b>
Mr. Aditya S. Parakh	Chairman	Non-Executive
Mr. Ashish Katariya	Member	Non-Executive
Mr. Nirbhaya K. Mishra	Member	Non-Executive and Independent

**(7) AUDITORS**

**A) STATUTORY AUDITORS**

Pursuant to the provisions of Section 139 of Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. M. P. Chitale & Co., Chartered Accountants, Mumbai, Statutory Auditors (Firm Registration No. 101851W) hold office till the conclusion of the Annual General Meeting for the Financial Year 2016-17, and the Company has received written consent and a certificate stating that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and that the appointment, if ratified, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules issued thereunder.

The Auditors' Report on financial statements for the financial year 2015-16 does not contain any qualification, reservation or adverse remark.

## **B) Cost Auditors**

The Board of Directors had appointed M/s. Suraj Lahoti & Associates, Cost Accountants (Firm Registration No. 101489), as the Cost Auditors of your Company for the financial year 2015-16, to conduct the audit of cost records of your Company for its Construction segment.

As per Section 148 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the Board of Directors of your Company appointed M/s. Suraj Lahoti & Associates, Cost Accountants, (Firm Registration No. 101489) as the Cost Auditor for the financial year 2016-17 on the recommendations made by the Audit Committee. The remuneration proposed to be paid to the Cost Auditor, subject to the ratification by the Members at the ensuing AGM, would be not exceeding Rs. 40,000 (Rupees Forty Thousand only) excluding taxes and out of pocket expenses.

Your Company has received consent from M/s. Suraj Lahoti & Associates, Cost Accountants, to act as the Cost Auditors of your Company for the financial year 2016-17 along with a certificate confirming their independence. As required under the Companies Act, 2013, a resolution seeking Members' approval for the ratification of the remuneration payable to the Cost Auditors forms part of the Notice convening the Annual General Meeting for their ratification.

There are no qualification(s), reservation(s) or adverse remark(s) in the Cost Audit Report for the financial year ended March 31, 2016.

## **C) Internal Auditors**

M/s. SSK & Co., Chartered Accountants, are internal Auditors of the Company and their reports are reviewed by the Audit Committee from time to time.

### **(8) PUBLIC DEPOSITS**

The Company has not accepted any deposits u/s 73 of the Companies Act, 2013 during the FY 2015-16.

### **(9) 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 given in the notes no. 3, 10, 11, 13 to the Financial Statements.

### **(10) RELATED PARTY TRANSACTIONS**

Related party transactions entered during the financial year were on an arm's length basis and in the ordinary course of business. There were no materially significant

related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its review and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as **Annexure – II**

**(11) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Data pertaining to conservation of energy and technology absorption is not applicable. There was neither foreign exchange earning nor expenditure during the year under review.

**(12) PARTICULARS OF EMPLOYEES**

During the year under review, none of the employees has drawn salary in excess of limits specified u/s 197 of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**(13) ACCOUNTS**

The accounts read together with the Notes to Accounts are self-explanatory and do not call for any further explanation. The Auditors' Report does not contain any qualification, adverse remark or reservation.

**(14) DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES**

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued thereunder, the Board of Directors at their meeting held on May 06, 2015 formulated the Nomination and Remuneration Policy of your Company on the recommendations of the Nomination and Remuneration Committee. The Remuneration Policy has been annexed to this Report as **Annexure III**.

**(15) CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company continues to believe in operating and growing its business in a socially responsible way. This belief forms the core of the CSR policy of the Company that drives it to focus on holistic development of its host community and immediate social and environmental surroundings qualitatively. Hence, in Accordance with the requirements of Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee ("CSR Committee"). The composition of the CSR Committee is provided under heading "Committees". The Company has framed Corporate Social Responsibility policy.

The Company has identified few CSR activities which are currently under finalisation stage. The Board of Directors recommended devising a plan first for effective spending

on CSR activities. The activities identified by the Company will usually take long time for completion. Hence, the Company could not spend amount allocated for CSR spending in financial year 2015-16.

Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as **Annexure V** to this report.

**(16) VIGIL MECHANISM**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been enclosed as part of this report **Annexure - IV**.

**(17) POLICY ON PREVENTION OF SEXUAL HARASSMENT**

The Company has in place Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress the complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Your Directors state that during the year under review, no cases have been reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**(18) EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure - I**.

**(19) DIRECTORS RESPONSIBILITY STATEMENT**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for

safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d. the directors had prepared the annual accounts on a going concern basis; and
- e. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**(20) ACKNOWLEDGEMENT**

The Board of Directors place on record their deep appreciation to the Madhya Pradesh Road Development Corporation Limited, Government of Madhya Pradesh, financial institutions, bankers and others for their co-operation, patronage and support during the year under review and look forward for a constant cordial relationship in the years to come. The Board of Directors wish to place on record their deep appreciation for the services rendered by the employees of the company at all levels and for their continued hard work, dedication and loyalty and in ensuring high level of performance.

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

**Sd/-**

**Place: Mumbai  
Date: 12.05.2016**

**(Ashish A. Kataria)  
Chairman of the meeting  
(DIN- 00580763)**

**Annexure I  
FORM NO. MGT 9**

*Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.*

**EXTRACT OF ANNUAL RETURN**

**I REGISTRATION & OTHER DETAILS:**

i	CIN	<b>U45200MH2001PLC171661</b>
ii	Registration Date	16.08.2001
iii	Name of the Company	<b>VIVA HIGHWAYS LIMITED</b>
iv	Category of the Company	Non Government Company
v	Address of the Registered office & contact details	Ashoka House, Ashoka Marg, Nashik, Maharashtra, India. Pin - 422 011 Tel. 0253-3011705, Fax - 0253-2236704 secretarial@ashokabuildcon.com
vi	Whether listed company	No.
vii	Name and Address of Registrar & Transfer Agents (RTA):-	Since the Company is not Listed, it is not required to appoint Registrar and Transfer Agent.

**II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Toll Collection	63	63.61%
2	Real Estate Activities	70	30.87%

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

No. of Companies for which information is being filled	1
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Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	Ashoka Buildcon Ltd.	L45200MH1993PLC071970	Holding Company	100%	Sec. 2(46)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	0	0	0	0%	0	0	0	0%	0%
b) Central Govt	0	0	0	0%	0	0	0	0%	0%
c) State Govt(s)	0	0	0	0%	0	0	0	0%	0%
d) Bodies Corp.	9808199	6	9808205	100%	9808199	6	9808205	100%	0%
e) Banks / FI	0	0	0	0%	0	0	0	0%	0%
f) Any other	0	0	0	0%	0	0	0	0%	0%
<b>(2) Foreign</b>									
a) NRI - Individual/	0	0	0	0%	0	0	0	0%	0%
b) Other - Individual/	0	0	0	0%	0	0	0	0%	0%
c) Bodies Corp.	0	0	0	0%	0	0	0	0%	0%
d) Banks / FI	0	0	0	0%	0	0	0	0%	0%
e) Any Others	0	0	0	0%	0	0	0	0%	0%
<b>Total shareholding of Promoter (A)</b>	9808199	6	9808205	100%	9808199	6	9808205	100%	0%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0%	0	0	0	0%	0%
b) Banks / FI	0	0	0	0%	0	0	0	0%	0%
c) Central Govt	0	0	0	0%	0	0	0	0%	0%
d) State Govt(s)	0	0	0	0%	0	0	0	0%	0%
e) Venture Capital Funds	0	0	0	0%	0	0	0	0%	0%
f) Insurance Companies	0	0	0	0%	0	0	0	0%	0%
g) FIs	0	0	0	0%	0	0	0	0%	0%
h) Foreign Venture	0	0	0	0%	0	0	0	0%	0%
i) Others (specify)	0	0	0	0%	0	0	0	0%	0%
<b>Sub-total (B)(1):-</b>	0	0	0	0%	0	0	0	0	0%



<b>2. Non-Institutions</b>									
a) Bodies Corp.	0	0	0	0%	0	0	0	0%	0%
i) Indian	0	0	0	0%	0	0	0	0%	0%
ii) Overseas	0	0	0	0%	0	0	0	0%	0%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0%	0	0	0	0%	0%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0%	0	0	0	0%	0%
c) Others (specify)	0	0	0	0%	0	0	0	0%	0%
<b>Sub-total (B)(2):-</b>	0	0	0	0%	0	0	0	0%	0%
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	0	0	0	0%	0	0	0	0%	0%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0%	0	0	0	0%	0%
<b>Grand Total (A+B+C)</b>	9808199	6	9808205	100%	9808199	6	9808205	100%	0%

ii **Shareholding of Promoters**

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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	
1	Ashoka Buildcon Ltd.	9808205	100%	30%	9808205	100%	30%	0%
	<b>TOTAL</b>	9808205	100%	30%	9808205	100%	30%	0%

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

There were no change in Promoters' Shareholding during the year.

iv **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

There is no shareholder other than Directors, Promoters.

v **Shareholding of Directors and Key Managerial Personnel:**

None of the directors hold shares in the Company.

V **INDEBTEDNESS**

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

Rs. in Lakhs

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	10,000.00	0.00	0.00	10,000.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	50.00	0.00	0.00	50.00
<b>Total (i+ii+iii)</b>	10,050.00	0.00	0.00	10,050.00
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
* Addition	6,047.34	3,766.58	0.00	9,813.92
* Reduction	12,300.36	790.00	0.00	13,090.36
<b>Net Change</b>	-6,253.02	2,976.58	0.00	-3,276.44
Indebtedness at the end of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	3,746.98	2,976.58	0.00	6,723.56
ii) Interest due but not paid	18.57	40.45	0.00	59.02
iii) Interest accrued but not due	50.36	0.00	0.00	50.36
<b>Total (i+ii+iii)</b>	3,815.91	3,017.03	0.00	6,832.94

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Not applicable

**B. Remuneration to other directors:**

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Gyan Chand Daga (Nominee Director)	Albert Tauro	Nirbhaya K. Mishra	
1	<b>Independent Directors</b>				
	Fee for attending board committee meetings	0	80,000	90,000	
	Commission	0	0	0	
	Others, please specify	0	0	0	
	<b>Total (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>170,000</b>
2	<b>Other Non-Executive Directors</b>				
	Fee for attending board committee meetings	70,000	0	0	
	Commission	0	0	0	
	Others, please specify	0	0	0	
	<b>Total (2)</b>	<b>70,000</b>	<b>0</b>	<b>0</b>	<b>70,000</b>
	<b>Total (B)=(1+2)</b>	<b>70,000</b>	<b>0</b>	<b>0</b>	<b>240,000</b>
	<b>Total Managerial Remuneration</b>	<b>70,000</b>	<b>0</b>	<b>0</b>	<b>240,000</b>
	Overall Ceiling as per the Act		N.A.		

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	Total
1	Gross salary	243000	243000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	243000	243000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 *	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	- as % of profit	0	0
	- others, specify...	0	0
5	Others, please specify	0	0
	<b>Total</b>	<b>243000</b>	<b>243000</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties / punishment / compounding of offences for the year ended

For and on behalf of Board of Directors

Sd/-

Place : Nashik  
Date : 12-05-2016

(Ashish A. Kataria)  
Chairman of the meeting  
DIN- 00580763

**Annexure II - Form AOC-2**

(Pursuant to clause (b) 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:**

Sr. No.	Name of the Related Party	Nature of Contracts/Arrangements/ Transactions:	Durations of the Contracts / Agreements/ Transactions	Salient Terms of the Contracts or arrangements or Transactions including the Value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) approval by the Board, if any	Amount paid as advances, if any	Date on which the special resolution was passed
<b>Not Applicable</b>								

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

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of Contracts / Agreements / Transactions	Durations of the Contracts / Agreements/ Transactions	Salient Terms of the Contracts or arrangements or Transactions including the Value, if any (Amt in Lakhs)	Date(s) approval by the Board, if any	Amount paid as advances, if any
1	Ashoka Buildcon Ltd.	Holding Company	Availing or rendering of any services	Ongoing - Renewal as per terms & Conditions	Supply of services - 576.95	06.05.2015	Nil
			Availing or rendering of any services	Ongoing - Renewal as per terms & Conditions	EPC for Major Maintenance - 972.82		
2	Ashoka Concessions Ltd.	Subsidiary of Holding Company	Leasing of Property	Ongoing - Renewal as per terms & Conditions	Rent received - 6.00	06.05.2015	Nil
3	Ashoka Highway Ad.	Enterprises in which Key Management Or Directors have significant influence	Leasing of Property	Ongoing - Renewal as per terms & Conditions	Rent received - 0.09	06.05.2015	Nil
4	Ashoka Technologies Pvt.Ltd.	Enterprises in which Key Management Or Directors have significant influence	Sale /Purchase or supply of any goods or materials	Ongoing - Renewal as per terms & Conditions	Purchase of Automation Software & Office Equipments - 1.92	06.05.2015	Nil
5	Hotel Evening Inn. Pvt. Ltd.	Enterprises in which Key Management Or Directors have significant influence	Leasing of Property	Ongoing - Renewal as per terms & Conditions	Rent received - 6.80	06.05.2015	Nil
6	Ashoka Institute of Medical Science and Research	Enterprises in which Key Management Or Directors have significant influence	Sell of Property	Not Applicable	Sale of premises - 225.23	29.07.2015	Nil
7	Ashoka Valech JV	Enterprises in which Key Management Or Directors have significant influence	Availing or rendering of any services	Renewal as per terms & Conditions	Supply of Professional services - 8.30	02.11.2016	Nil

**For and on behalf of Board of Directors of Viva Highways Limited**

sd/-

**(ASHISH M. KATARIYA)**  
Chairman  
DIN - 00580763

Place : Nashik  
Date : 12.05.2016

## **Annexure – III**

### **VIVA HIGHWAY LIMITED REMUNERATION POLICY**

The Remuneration Policy (**"Policy / this Policy"**) of Viva Highways Ltd. (the "Company") is designed to attract, motivate and retain manpower in a competitive market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

The Policy applies to the Company's Board of Directors, Senior Management, including its Key Managerial Personnel (KMP).

#### **Guiding principles**

The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent Executives.

#### **Remuneration Policy**

The Nomination and Remuneration Committee recommends to the Board the compensation package of the Executive Directors and also the compensation payable to the Non-Executive Directors of the Company in accordance with the provisions contained in the Companies Act, 2013.

The Company has the Policy of remunerating Non-Executive Directors through payment of Sitting Fees, or Commission or both within the ceiling prescribed by the Central Government.

## Annexure IV

### VIVA HIGHWAYS LTD. Vigil Mechanism / Whistle Blower Policy

#### Introduction

Viva Highways Ltd. (**“the Company”**) believes in conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company is committed to develop a culture where it is safe for all employees to raise concerns about any fraudulent or unacceptable practice and any event of misconduct.

Vigil Mechanism / Whistle Blower Policy (**“the Policy”**) is a device to help alert and responsible individuals to bring to the attention of the Management, promptly and directly, any unethical behavior, suspected fraud or abrasion or irregularity in the Company practices which is not in line with Code of Business Principles or the law of the land, without any fear or threat of being victimised.

This Policy is issued pursuant to Section 177 of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014 and clause 49 of the Listing Agreement.

The Company is committed to provide adequate safeguards against victimisation of employees and directors or other persons who avail of such mechanism and also provide for direct access to the Chairperson of the Audit Committee or the Director nominated by the Audit Committee, as the case may be, in exceptional cases.

#### a) **Address for Communication :**

If any Director / Employee comes across any information detrimental to the interest of the Company, the same should be intimated immediately to the Compliance Officer. The procedure as outlined hereunder will be adopted to deal with such concerns / grievances.

The Whistle Blower shall send his/her Grievance / Complaint (**“Complaint”**) in written form to the following address.

To  
The Company Secretary  
Viva Highways Limited  
Ashoka House, Ashoka Marg,  
Ashoka Nagar, Nashik – 422 011

The Company Secretary is designated as Compliance Officer of the Company, reporting to Chairman of the Audit Committee.

The concerns / grievances shall be sent to the Chairman of the Audit Committee.

The concerns / grievances shall be received in writing by the Compliance Officer duly signed by the complainant. The employee making the complaint shall identify oneself while reporting a concern.

Anonymous Reports shall not be considered for further action.

Employees can raise a concern to his supervisor / Manager or a member of the Management. Alternatively, an employee can raise a concern directly to the Compliance Officer in writing.

The Complaint raised will be placed before an appropriate Committee for investigation. The Committee will investigate the Complaint and if it finds no merit or materiality in the Complaint, the said Complaint will be closed and intimation will be sent to Whistle Blower within reasonable period and in any case not exceeding 90 days from the receipt of Complaint.

However, if any merit is found in the Complaint, the Compliance Officer in consultation with the Management will nominate an Investigating Officer who will conduct the investigations directly or through a team formed by the Compliance Officer depending on the nature of the concern. On receipt of the investigation report the Compliance Officer will submit his Report to the Audit Committee who will take a decision on the action to be initiated regarding the concern raised.

The Committee shall give an opportunity of being heard to the Whistle Blower and the investigation will be conducted following the principles of natural justice. In case of any criminal action that may be required/advised to be initiated, the Chairman of the Company will take a final decision.

**b) Protection**

- (A) No unfair treatment will be given to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization of Whistle Blower. Complete protection will, be given to Whistle Blower against any unfair practice like threat or termination / suspension of service, disciplinary action, or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure.
- (B) The Company will do its best to protect confidentiality of an identity of the Whistle Blower.
- (C) If the Whistle Blower makes an allegation in good faith, which is not confirmed by the investigation, no action will be taken against the Whistle Blower. However, if a complaint is found to be malicious or vexatious or made with any ulterior motive or malafide intention, appropriate disciplinary action will be taken.
- (D) The Company will not entertain anonymous / frivolous grievance.

**c) Reporting:**

- A quarterly report with number of Complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board periodically.
- Details of establishment of such mechanism shall be disclosed by the company on its website, if any, and in the Board's report.

**d) Coverage of Policy:**

The Policy covers malpractices and events which have taken place/ suspected to take place involving:

- a) Abuse of authority;
- b) Breach of contract;
- c) Negligence causing substantial and specific danger to public health and safety;
- d) Manipulation of company data/records;
- e) Financial irregularities, including fraud, or suspected fraud;
- f) Criminal offense;
- g) Pilferation of confidential/propriety information;
- h) Deliberate violation of law/regulation;
- i) Wastage/misappropriation of company funds/assets;
- j) Breach of employee Code of Conduct or Rules; and
- k) Any other unethical, biased, favoured, imprudent event

The above Vigil Mechanism has been approved at the meeting of Board of Directors of the Company. The same will be effective from March 31, 2015.



## **Annexure – V**

### **Annual Report on Corporate Social Responsibility**

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

#### **1. Brief outline of the Company's CSR Policy**

The Company has approved CSR Policy at the meeting of Board of Directors held on March 31, 2015 and since then the Committee has on a priority basis articulated the amount to be spent as per CSR policy of the Company. The Company has deployed a dedicated resource for identifying CSR activities and strategy. The CSR committee has considered few proposals for funding. The activities identified by the Company will usually take long time for completion. Hence, the Company could not spend amount allocated for CSR spending in financial year 2015-16. The Average net profit of the Company for last three financial years is Rs. 66.53 Crores and prescribed CSR Expenditure is Rs. 1.33 Crores. The Company has set aside the unspent amount of Rs. ~ 1.33 Crores and in the FY 2016-17 the CSR activities will be timely rolled out.

#### **2. Composition of CSR Committee**

Please refer to Board's Report for the Composition of CSR Committee.

- |   |                  |
|---|------------------|
| 3. Average Net Profit of the Company for last 3 financial years : | Rs. 66.53 Crores |
| 4. Prescribed CSR Expenditure :                                   | Rs. 1.33 Crores  |

#### **5. CSR Committee Responsibility Statement**

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company.

Sd/-  
(Ashish A. Kataria)  
Chairman of the Meeting

Sd/-  
(Aditya S. Parakh)  
Chairman (CSR Committee)

<b>INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIVA HIGHWAYS LIMITED</b>
---

**1. Report on the Financial Statements**

We have audited the accompanying financial statements of **Viva Highways Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information hereinafter referred to as financial statement.

**2. 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.

**3. Auditor’s Responsibility**

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

3.2 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.

- 3.3 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.
- 3.4 An audit involves performing procedures to obtain audit evidence about the amounts and 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 statement that give true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.
- 3.5 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.

#### **4. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2016 and its profit and its cash flows for the year ended on that date.

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

- (i) 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, a statement on the matters specified in paragraphs 3 and 4 of the Order, is given in Annexure A.
- (ii) As required by section 143(3) of the Companies Act 2013, 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 purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

- c. The Balance Sheet, Statement of Profit and Loss, and 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 referred to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms Section 164 (2) of the Act.
  - f. With respect of adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in “Annexure B”.
6. 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 does not have any pending litigations filed against it which would impact its financial position
  - (ii) The Company was not required to make any provisions for material foreseeable losses in respect of long term contracts, including derivative contracts.
  - (iii) The Company was not required to deposit or pay any dues in respect of the Investor Education and Protection Fund during the year.

**For M P Chitale & Co.**  
**Chartered Accountants**  
**ICAI FR No. 101851W**

**Ashutosh Pednekar**  
**Partner**  
**ICAI M No. 041037**

**Place: Mumbai**  
**Date: May 12, 2016**

**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**  
**(Referred to in paragraph 5 (i) of our report of even date)**

1.
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Management has conducted physical verification of major fixed assets during the year. We are informed that no material discrepancies were noticed on such verification.
  - (c) According to the information and explanation given to us title deeds of immovable properties, classified as fixed assets, are in the name of the company.
2. Inventories have been physically verified by the Management at regular intervals. In our opinion, the frequency of such verification is reasonable. We are informed that discrepancies noticed on such verification were not material as compared to the book records. We are informed that no material discrepancies were noticed on such verification.
3.
  - a) Based on the information and explanations furnished to us, we are of the opinion that the terms and conditions of unsecured loan granted to two parties covered in the register maintained u/s 189 of the Companies Act, 2013 is prima facie not prejudicial to the interest of the company.
  - b) In case of the above loan, the schedule of principal repayment and interest payment has been stipulated. According to the information and explanations furnished to us, the principal and interest is not due for payment and hence, we are unable to comment on the regularity of repayments under this clause.
  - c) As the principal and interest is not due for payment, we are unable to comment on this clause.
4. According to the information and explanations given to us the Company has not given any loans, investment, guarantees and security. Hence, this clause is not applicable to the Company.
5. According to the information and explanations given to us, the Company has not accepted deposits from the public in terms of provisions of sections 73 to 76 of the Companies Act, 2013.

6. According to the information and explanations given to us, pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, we have broadly reviewed these cost records and are of the opinion that prima facie, the prescribed records have been made and maintained by the Company.
7.
  - (a) According to the information and explanations given to us and on the basis of books and records examined by us, in our opinion undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, custom duty, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. There are no statutory dues that are outstanding as of March 31, 2016 for a period of more than six months.
  - (b) As at the year-end, according to the records of the Company and information and explanations given to us, there are no disputed dues respects of income tax, sales tax, custom duty, excise duty, cess, wealth tax, service tax which have not been deposited with appropriate authorities.
8. As per the books and records maintained by the Company and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions. Further, the Company has neither issued debentures nor borrowed any funds from Government.
9. According to the information and explanations given to us the company has neither raised money by way of a public offer nor has it availed any term Loans from bank/ financial institution during the year. Hence, this clause is not applicable.
10. According to the information and explanations given to us and on the basis of representation of the management which we have relied upon, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given to us and based on our examination of the records of the Company has not paid any managerial remuneration. Hence, this clause is not applicable.

12. Since the Company is not a Nidhi Company, this clause is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statement as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, this clause is not applicable.
15. According to the information and explanations given to us and based on our examination of the records of the Company has not entered into non cash transactions with directors or person connected with him. Hence, this clause is not applicable to the Company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For M P Chitale & Co.**  
**Chartered Accountants**  
**ICAI FR No. 101851W**

**Ashutosh Pednekar**  
**Partner**  
**ICAI M No. 041037**

**Place: Mumbai**  
**Date: May 12, 2016**

**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**  
**(Referred to in paragraph 5 (ii) (f) of our report of even date)**

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

We have audited the internal financial controls over financial reporting of **Viva Highways Limited** (“the Company”) as of 31<sup>st</sup> March, 2016 in conjunction with our audit of the 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 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 issued by ICAI and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the 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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For M P Chitale & Co.**  
**Chartered Accountants**  
**ICAI FR No. 101851W**

**Ashutosh Pednekar**  
**Partner**  
**ICAI M No. 041037**

**Place: Mumbai**  
**Date: May 12, 2016**

**VIVA HIGHWAYS LIMITED**  
**CIN - U45200MH2001PLC171661**  
**BALANCE SHEET AS AT MARCH 31, 2016**



	Note No.	As at 31-Mar-2016 (₹in Lacs)	As at 31-Mar-2015 (₹in Lacs)
<b>I EQUITY &amp; LIABILITIES</b>			
1 Shareholders' Funds			
(a) Share Capital	1	980.82	980.82
(b) Reserves & Surplus	2	33,662.46	26,589.78
		34,643.28	27,570.60
2 Non-current Liabilities			
(a) Long-Term Borrowings	3	-	5,500.00
(b) Long Term Provisions	4	3.53	2.38
(c) Other Long Term Liabilities	5	5,844.72	6,023.61
		5,848.25	11,525.99
3 Current Liabilities			
(a) Short-Term Borrowings	6	3,017.04	-
(b) Trade Payables	7	4,728.72	3,442.83
(c) Other Current Liabilities	8	4,426.87	4,998.98
(d) Short-Term Provisions	9	36.07	298.77
		12,208.70	8,740.58
	<b>Total</b>	<b>52,700.23</b>	<b>47,837.17</b>
<b>II ASSETS</b>			
1 Non-Current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		3,469.91	459.05
(ii) Intangible Assets		313.40	731.26
(iii) Capital Work in Progress		-	503.48
(iv) Intangible Assets Under Development		-	52.00
		3,783.31	1,745.79
(b) Non-Current Investments	11	16,132.44	10,948.85
(c) Long-Term Loans & Advances	12	13,339.91	16,718.46
(d) Other Non Current Assets	13	98.17	96.07
		33,353.83	29,509.17
2 Current Assets			
(a) Current Investments	14	-	553.15
(b) Inventories	15	17,841.44	17,191.21
(c) Trade Receivable	16	107.29	8.00
(d) Cash and Bank Balances	17	711.45	498.22
(e) Short-Term Loans and Advances	18	20.01	20.61
(f) Other Current Assets	19	666.21	56.81
		19,346.40	18,328.00
	<b>Total</b>	<b>52,700.23</b>	<b>47,837.17</b>
Selected Accounting Policies and Explanatory Notes	27		

As per our report of even date attached

**For M.P. CHITALE & Co.**  
**Chartered Accountants**

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

**Ashutosh Pednekar**  
**Partner**

**Manoj A. Kulkarni**  
**Company Secretary**

**Ashish A. Katariya**  
**Director**

**Aditya S. Parakh**  
**Director**

DIN - 00580763

DIN - 063668409

Place: Mumbai

Place: Mumbai

**VIVA HIGHWAYS LIMITED**

CIN - U45200MH2001PLC171661

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2016**

	Note No.	Year ended 31-Mar-2016 (₹in Lacs)	Year ended 31-Mar-2015 (₹in Lacs)
i Revenue from Operations	20	18,386.09	12,430.98
II Other Income	21	1,070.31	234.36
<b>IV Total Revenue (I + II + III)</b>		<b>19,456.39</b>	<b>12,665.35</b>
V Expenses:			
Purchase of Stock - In - Trade		1,442.22	3,061.32
Changes in inventories of Stock - In - Trade		(1,442.22)	(3,061.32)
Operating Expenses	22	1,147.77	1,604.41
Cost of Sale of TDR / Land	23	791.99	225.09
Employee Benefits Expenses	24	367.87	305.79
Finance Cost	25	768.31	451.91
Depreciation and Amortisation Expenses		709.31	304.15
Other Expenses	26	433.23	220.83
<b>Total Expenses</b>		<b>4,218.47</b>	<b>3,112.16</b>
VI Profit before Tax (IV - V)		15,237.92	9,553.18
VII Tax Expense:			
Current Tax		3,273.80	2,059.77
Tax For Earlier Years		(7.60)	42.89
		3,266.20	2,102.66
<b>VIII Profit for the year (VI - VII )</b>		<b>11,971.72</b>	<b>7,450.52</b>
IX Earnings per Equity Share: (₹)			
Basic		122.06	75.96
Diluted		122.06	75.96
Selected Accounting Policies and Explanatory Notes	27		

As per our report of even date attached

**For M.P. CHITALE & Co.**  
**Chartered Accountants****For and on behalf of Board of Directors****Ashutosh Pednekar**  
**Partner****Manoj A. Kulkarni**  
**Company Secretary****Ashish A. Katariya**  
**Director**  
DIN - 00580763**Aditya S. Parakh**  
**Director**  
DIN - 063668409**Place: Mumbai**  
**Date: May 12, 2016****Place: Mumbai**  
**Date: May 12, 2016**

# VIVA HIGHWAYS LIMITED



## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	Year Ended 31-March-2016		Year Ended 31-March-2015	
	(₹in Lacs)	(₹in Lacs)	(₹in Lacs)	(₹in Lacs)
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net Profit Before Extraordinary Items and Taxation		15,237.92		9,553.18
<b>Adjustment for :</b>				
Depreciation on Fixed Assets	291.45		60.40	
Amortisation of Intangible Assets	417.86		243.75	
Profit on Sale of Investments	(67.28)		(9.69)	
Profit on Sale of Assets	(38.99)		-	
Profit on Sale of Option Rights	-		(74.00)	
Interest received on Loan	(890.78)		(35.08)	
Interest on FDR	(53.39)		(45.32)	
Interest, commitment & Finance Charges (Net)	768.31		451.91	
		427.18		591.97
<b>Operating Profit Before Changes in Working Capital</b>		<b>15,665.10</b>		<b>10,145.16</b>
<b>Adjustments for changes in operating Assets/ Liabilities</b>				
(Increase) / Decrease in operating receivables	(710.19)		(9,323.32)	
(Increase) / Decrease in Inventories	(650.22)		(4,361.74)	
Increase / (Decrease) in Operating Payables	(429.31)	(1,789.73)	14,486.90	801.83
<b>Cash Generated from operations</b>		<b>13,875.37</b>		<b>10,946.99</b>
Income Tax		(3,273.80)		(2,059.77)
Tax for Earlier Year		7.60		(42.89)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>10,609.17</b>		<b>8,844.33</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets ( Net )	(2,707.84)		(622.47)	
Interest Received.	53.39		45.32	
Purchase/Sale of Investments ( Net )	(4,630.44)		(5,553.15)	
Profit on Sale of Investments	67.28		9.69	
Profit on Sale of Option Rights	-		74.00	
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(7,217.61)</b>		<b>(6,046.61)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Increase / Decrease in Loans & Advances Given	3,378.54		(2,312.24)	
Repayment of Borrowings	702.66		5,500.00	
Loan Taken	(2,482.96)		(3,024.50)	
Proposed Dividend & Dividend Distribution Tax	(4,899.04)		(2,671.63)	
Interest received on Other Loans	890.78		35.08	
Interest, commitment & Finance Charges Paid (Net)	(768.31)		(451.91)	
<b>NET CASH RECEIPT FROM FINANCING ACTIVITIES</b>		<b>(3,178.33)</b>		<b>(2,925.21)</b>
<b>Net Increase In Cash &amp; Cash Equivalents</b>		<b>213.23</b>		<b>(127.49)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>		<b>498.22</b>		<b>625.71</b>
<b>Cash and Cash Equivalents at the end of the year</b>		<b>711.45</b>		<b>498.22</b>

**Notes :**

- 1.The Operating Trade & Other Receivables consist of Trade Receivables, Short-term and Long-term Loans and Advances and Other Current Assets.
- 2.The Operating Trade & Other Payables consist of Long-term Liabilities, Trade Payables, Long-term & Short-term Provisions and Other Current Liabilities.
- 3.Cash & Cash Equivalents comprises of balances with bank in current accounts, cash on hand & deposit maturing within 12 Months from March 31, 2016

As per Our Report of Even Date  
**For M.P. CHITALE & Co.**  
**Chartered Accountants**

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

**Ashutosh Pednekar**

**Manoj A. Kulkarni**

**Ashish A. Katariya**

**Aditya S. Parakh**

**VIVA HIGHWAYS LTD.**  
**NOTES ACCOMPANING FINANCIAL STATEMENTS**

**NOTE 1 : SHARE CAPITAL**

(₹ in Lacs)

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
<b>i Authorised Share Capital</b>		
1 00,00,000 (P.Y.1,00,00,000) Equity Shares of ₹ 10 each	1,000.00	1,000.00
<b>Total</b>	1,000.00	1,000.00
<b>ii Issued, Subscribed and Paid-up (fully paid-up) :</b>		
98,08,205 (P.Y.98,08,205) Equity Shares of ₹ 10 each	980.82	980.82
<b>Total</b>	980.82	980.82

**iii Reconciliation of No of Shares Outstanding**

Class of Shares	As at 31-Mar- 2016 Equity Shares	As at 31-Mar-2015 Equity Shares
Outstanding as per last balance sheet	9,808,205	9,808,205
Addition during the period	-	-
Matured during the period	-	-
Outstanding as at 31-March-2016	9,808,205	9,808,205

**iv Details of Shares in the Company held by each share holder holding more than 5% Shares / by Subsidiaries of Ashoka Buildcon Ltd. being a Holding Company**

Name of the Company	As at 31-Mar- 2016 Equity Shares	As at 31-Mar- 2015 Equity Shares
Ashoka Buildcon Ltd.	9,808,205	9,808,205
<b>Total</b>	9,808,205	9,808,205

**v There were no shares issued as bonus / consideration other than cash in the preceding five years.**

**NOTE 2 : RESERVES & SURPLUS**

(₹ in Lacs)

Particulars	As at 31-Mar- 2016	As at 31-Mar- 2015
<b>Security Premium Reserve</b>		
Balance as per last Balance Sheet	3,300.79	3,300.79
Addition During the Period	-	-
Transferred from Security Premium	-	-
Deductions During the year	-	-
Balance at the end of the period (i)	3,300.79	3,300.79
<b>General Reserve</b>		
Balance as per last Balance Sheet	830.38	830.38
Addition During the Year	-	-
Transferred from Security Premium	-	-
Deductions During the Year	-	-
Balance at the end of the year (ii)	830.38	830.38
<b>Surplus</b>		
Balance as per last Balance Sheet	22,458.61	17,679.73
Addition During the Period	11,971.72	7,450.52
Transferred from Security Premium	-	-
Amount Available for Appropriations	34,430.34	25,130.25
<b>Appropriations</b>		
Interim Dividend	4,070.41	2,255.89
Dividend Distribution Tax	828.64	415.75
Transfer to General Reserve	-	-
Balance at the end of the period (iii)	29,531.29	22,458.61
<b>Total (i+ii+iii)</b>	33,662.46	26,589.78

## VIVA HIGHWAYS LTD.

### NOTES ACCOMPANYING FINANCIAL STATEMENTS

#### NOTE 3 : LONG TERM BORROWINGS

(₹ in Lacs)

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
Secured:		
Term Loans:		
From Banks	-	-
From Financial Institute	-	5,500.00
<b>Total</b>	-	5,500.00

#### NOTE 4 : LONG TERM PROVISIONS

(₹ in Lacs)

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
<b>Provision for Employee benefits:</b>		
Compensated Absences	3.53	2.38
Gratuity Payable	-	-
Provision for Taxation ( Net )	-	-
<b>Total</b>	3.53	2.38

#### NOTE 5 : OTHER LONG TERM LIABILITIES

(₹ in Lacs)

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
Security Deposit from Customer	5,842.72	6,021.61
Security Deposit from Customer - Related Party	2.00	2.00
Trade Payable	-	-
<b>Total</b>	5,844.72	6,023.61

#### NOTE 6 : SHORT TERM BORROWINGS

(₹ in Lacs)

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
Unsecured:		
Ashoka Buildcon Ltd.	3,017.04	-
<b>Total</b>	3,017.04	-

Particulars of Lenders	Nature of loan	EMI Amount (₹ in Lacs )	Mode of Repayment
Ashoka Buildcon Ltd.	General corporate purpose	-	On Demand

#### NOTE 6 : TRADE PAYABLES

(₹ in Lacs)

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
i) Micro, Small & Medium Enterprises	-	-
ii) Others	4,140.92	3,259.22
iii) Others - Related Party	587.81	183.61
<b>Total</b>	4,728.72	3,442.83

Suppliers/Service providers covered under Micro, Small Medium Enterprises Development Act, 2006 have not furnished the information regarding filing of necessary memorandum with the appropriate authority. In view of this, information required to be disclosed u/s. 22 of the said Act is not given

**VIVA HIGHWAYS LTD.**  
**NOTES ACCOMPANING FINANCIAL STATEMENTS**

**NOTE 7 : OTHER CURRENT LIABILITIES**

(₹ in Lacs )

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
Current maturities of Long Term Debts		
From Banks	3,797.34	-
From Financial Institute	-	4,500.00
Advance from Customers	498.43	277.36
Interest Accrued & Not Due on Borrowings	18.57	50.36
Duties & Taxes	41.57	54.67
Unpaid Expenses	70.17	115.79
Compensated Absences	0.79	0.79
<b>Total</b>	<b>4,426.87</b>	<b>4,998.98</b>

Particulars of Lenders	Nature of loan	EMI Amount (₹ in Lacs )	Mode of Repayment	Interest Type	Maturity Date
IDFC Bank	General corporate purpose	458.33	8 EMIs	Fixed Rate	15-Dec-16
		130.70	1 EMI		

**Nature of Security :** The Loan together with interest, liquidated damages, costs, charges and expenses and all other monies shall be secured by:

1. a first pari passu charge:
  - i) by way of hypothecation of the entire movable assets of the company both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future except Project Assets as defined in the Concession Agreement.
  - ii) over the Escrow account of the company.
  - iii) on all cashflows, receivables, book debts and revenues of the company of whatsoever nature and both, present and future.
  - iv) on all intangible assets including but not limited to goodwill, rights, undertaking excluding Project Assets.
2. a first exclusive charge by way of mortgage of land (measuring 10 hectares) of the Company situated at Hinjewadi Pune, such that the loan is secured 1.25 times the value of the land.
3. Bank Guarantee of Axis Bank for Debt Service Reserve Account (DSRA)
4. Pledge of equity share held in Borrower Company

**NOTE 8 : SHORT TERM PROVISIONS**

(₹ in Lacs )

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
Provision for Taxation (Net)	36.07	298.77
<b>Total</b>	<b>36.07</b>	<b>298.77</b>

**NOTE 10 : NON-CURRENT INVESTMENTS (UNQUOTED)**

(₹ in Lacs )

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
<b>I TRADE INVESTMENTS:</b>		
<b>Investments in Equity Shares</b>		
294,46,200 ( Nil ) Jaora Nayagaon Toll Road Co. Pvt.Ltd.	3,967.08	-
<b>Investments in Preference Shares</b>		
Preference shares fully paid up of ₹100/-		
3,61,040 (3,61,040) of Ashoka DSC Katni Bypass Road Ltd.	1,805.20	1,805.20
22,45,000 (22,45,000) of Ashoka Infrastructure Ltd.	1,122.50	1,122.50
3,52,527 (3,52,527) of Ashoka Infraways Ltd.	2,044.66	2,044.66
Nil ( 2,62,500 ) Abhijeet Ashoka Infrastructure PVT. Ltd.	-	283.50
1,10,000 (1,10,000) of Viva Infrastructure Ltd	693.00	693.00
<b>Investments in Debentures</b>		
1956536 ( 1505026 ) CCD - Ashoka Concessions Ltd.	6,500.00	5,000.00
<b>Total</b>	<b>16,132.44</b>	<b>10,948.85</b>

Aggregate Amount of Quoted Investments and Market value thereof.

Aggregate Amount of Unquoted Investments

Aggregate provision for diminution in value of Investment.

	-	-
	16,132.44	10,948.85
	-	-



**VIVA HIGHWAYS LTD.**  
**NOTES ACCOMPANING FINANCIAL STATEMENTS**

**NOTE 11 : LONG TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD )**

(₹in Lacs )

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
Trade Deposits	2.46	2.46
Loans & Advances to related parties		
Ashoka Buildcon Ltd.	-	2,419.03
Ashoka Highways ( Bhandara ) Ltd.	5,996.43	5,399.58
Group Gratuity	5.10	5.48
Advance Income Tax	2.46	6.42
Loans to Others	28.28	27.74
Advance for Purshase of Option Rights / Shares	6,888.29	7,432.20
Advance for Purchase of Claims		-
Capital Advances	10.27	14.69
Advance for Purchases of Land ( Good )	169.10	983.35
Advance for Purchases of Land ( Doubtful )	475.00	475.00
Less : Provision for Doubtful Debts	(237.50)	(47.50)
<b>Total</b>	<b>13,339.91</b>	<b>16,718.46</b>

**NOTE 12 : OTHER NON CURRENT ASSETS**

(₹in Lacs )

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
Other Bank Balances		
Deposits with maturity more than 12 months	98.17	96.07
<b>Total</b>	<b>98.17</b>	<b>96.07</b>

1 Balances with banks held as:

Securities against the borrowing	-	-
Deposit against Commercial Tax office	0.10	-
Deposit against Govt. Authorities	96.07	96.07

**NOTE 13 : CURRENT INVESTMENTS-QUOTED**

(₹in Lacs )

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
Investments in Mutual Funds		
Nil (1,555,463.28) HDFC Mutual fund	-	428.15
Nil (60,670.19) ICICI Mutual fund	-	125.00
<b>Total</b>	<b>-</b>	<b>553.15</b>

Aggregate Amount of Quoted Investments	-	553.15
Aggregate Amount of Market value	-	561.71
Aggregate Amount of Unquoted Investments	-	-
Aggregate provision for diminution in value of Investment.	-	-

**NOTE 14 : INVENTORIES ( AT LOWER OF COST AND NET REALISABLE VALUE )**

(₹in Lacs )

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
Construction WIP	1,510.65	
Closing Stock - Land	16,231.36	17,006.10
Closing Stock - TDR	99.43	185.11
	17,841.44	17,191.21

AS - 16 Borrowing Cost :Interest Cost capitalized to Inventories during the period: Nil (Previous year ₹75.38Lacs).

Note: - Inventory of land/ Building comprises of certain land/ immovable properties aggregating to Rs.4,991.89 , where the entire amount has not been paid. Pending clouser of tital and/or resoluotion of legal cases on such land/ propertaias

## VIVA HIGHWAYS LTD.

### NOTES ACCOMPANYING FINANCIAL STATEMENTS

Details of Lands (including Rights to Development) and Properties.

(₹ in Lacs)

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
<b>Construction WIP</b>	<b>1,692.41</b>	1,708.85
Add : Addition	9.58	95.46
Less : Cost of Sold Material - Construction WIP	191.34	111.90
<b>Closing Stock</b>	<b>1,510.65</b>	<b>1,692.41</b>
<b>Land :-</b>		
Opening Stock	15,313.69	12,122.77
Add : Land Purchase	1,821.54	-
Less : Transferred to Construction WIP	9.58	3,522.08
Less : Transferred to Fixed Assets	368.31	331.15
Less : Cost of Material Sold	525.98	-
<b>Closing Stock</b>	<b>16,231.36</b>	<b>15,313.69</b>
<b>TDR :-</b>		
Opening Stock	185.11	298.29
Less : Conversion of stock in Trade to Assets	11.01	-
ADD : Purchases	-	-
Less : Sale	74.67	113.18
<b>Closing Stock</b>	<b>99.43</b>	<b>185.11</b>
<b>Total - [i] + [ii] + [iii]</b>	<b>17,841.44</b>	<b>17,191.21</b>

#### NOTE 15 : TRADE RECEIVABLES-Unsecured

(₹ in Lacs)

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
<b>Considered good:</b>		
Dues exceeding Six Months		
Others	107.29	8.00
<b>Total :-</b>	<b>107.29</b>	<b>8.00</b>

#### NOTE 16 : CASH AND BANK BALANCES

(₹ in Lacs)

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
<b>Cash &amp; Cash Equivalents</b>		
<b>Cash on hand</b>	67.61	49.28
<b>Balance with Banks</b>		
On Current account	205.85	45.36
<b>Other Bank Balances</b>		
Deposits with maturity more than 3 months but less than 12 months	437.99	403.58
<b>Total</b>	<b>711.45</b>	<b>498.22</b>

1	Balances with banks held as:		
	Securities against the borrowing		-
	Deposit against Commercial Tax office	-	0.10
	Deposit against Land	437.99	403.48

#### NOTE 17 : SHORT-TERM LOANS & ADVANCES (UNSECURED, CONSIDERED GOOD)

(₹ in Lacs)

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
Advance to Employee	3.74	4.14
Advances for Purchases of Goods / Services	16.26	16.47
<b>Total</b>	<b>20.01</b>	<b>20.61</b>

**VIVA HIGHWAYS LTD.****NOTES ACCOMPANING FINANCIAL STATEMENTS****NOTE 18 : OTHER CURRENT ASSETS**

(₹in Lacs )

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
Interest Receivable	56.69	48.39
Prepaid Expenses	9.52	8.43
Right to Collect Claim	600.00	
<b>Total</b>	<b>666.21</b>	<b>56.81</b>

**CONTINGENT LIABILITIES AND COMMITMENTS ( TO THE EXTENT NOT PROVIDED FOR)**

(₹in Lacs )

Particulars	As at 31-Mar-2016	As at 31-Mar-2015
Bank Guarantees issued by bankers in favor of third parties	120.00	120.00
Demand Against Service Tax	-	685.69
Payable against the Royalty	883.10	-
Capital Commitment	4.89	3,528.04

Bank Guarantees placed by the group companies with Govt. Organization and other institution have been obtained by using the financial limits of holding company (Ashoka Buildcon Limited) with various banks/Financial Institutions. Since the limits of the holding company have been utilised, contingent liability has been disclosed in the books of the holding company and not in the books of the SPV company

# VIVA HIGHWAYS LTD.

## NOTES ACCOMPANING FINANCIAL STATEMENTS

	Year ended 31-Mar-2016 (₹ in lacs)	Year ended 31-Mar-2015 (₹ in lacs)
<b>NOTE : 19 REVENUE FROM OPERATION</b>		
Toll Collection	12,378.01	10,651.44
Sale of Flats	915.91	1,779.55
Sale of Land	3,860.00	-
Sale of TDR	1,230.07	-
Sale of Material	2.10	-
	<b>18,386.09</b>	<b>12,430.98</b>
<b>NOTE 20 : OTHER INCOME</b>		
Interest Received (Gross)	944.17	110.88
Profit on sale of Investments	67.28	9.69
Income From Dividend	-	35.25
Miscellaneous Income	19.87	4.54
Profit on Sale of Assets	38.99	-
Profit on Sale of Option Rights	-	74.00
<b>TOTAL</b>	<b>1,070.31</b>	<b>234.36</b>
<b>NOTE 21 : OPERATING EXPENSES</b>		
Consumption of Construction Material & its Expenses	2.89	6.26
Labour Charges / Sub Contracting Charges	917.18	1,402.37
Machinery Repairs and Maintenance	4.00	5.88
Equipment / Machinery Hire Charges	0.44	0.15
Power & Fuel	44.50	26.35
Water Charges	0.90	1.90
Technical Consultancy Charges	31.45	32.45
Security Service Charges	22.63	22.52
Project Supervision Charges	123.78	106.51
<b>TOTAL</b>	<b>1,147.77</b>	<b>1,604.41</b>
<b>NOTE 22 : COST OF SALE OF TDR / FLATS</b>		
<b>Opening Stock of Construction WIP</b>	1,692.41	1,708.85
Add : Addition from Land / Property	9.58	95.46
Less : Closing	1,510.65	1,692.41
<b>(a)</b>	<b>191.34</b>	<b>111.90</b>
<b>Opening Stock of Land / Property</b>	-	-
Add : Reclassification*	15,313.69	-
Add : Land Purchase	1,821.54	-
Less : Transfer to Construction WIP	9.58	-
Less : Transfer to Fixed Asset	368.31	-
Less : Closing	16,231.36	-
<b>(b)</b>	<b>525.98</b>	<b>-</b>
<b>Opening Stock of TDR</b>	185.11	298.30
Add : Addition	-	-
Less : Transfer to Fixed Asset	11.01	-
Less : Closing	99.43	185.11
<b>(c)</b>	<b>74.67</b>	<b>113.18</b>
<b>Total Cost of Sold Material - (a)+(b)+( C)</b>	<b>791.99</b>	<b>225.09</b>
<p>* Reclassification from fixed assets to inventory was done in the earlier years. During the year this reclassification inventory has also been presented aggregating under " Cost of Material sold". This has no impact on the profit of the year.</p>		
<b>NOTE 23 : EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Allowances	346.58	288.58
Contribution to the Provident and Gratuity Fund	18.65	15.40
Staff Welfare Expenses	2.64	1.80
<b>TOTAL</b>	<b>367.87</b>	<b>305.79</b>

# VIVA HIGHWAYS LTD.

## NOTES ACCOMPANING FINANCIAL STATEMENTS

### AS 15 – Employee Benefit-Gratuity & Leave Encashment

Contribution to Provident Fund is charged to accounts on accrual basis. The Company operates a defined contribution scheme with recognized provident fund. For this Scheme, contributions are made by the company, based on current salaries, to recognized Fund maintained by the holding company. In case of Provident fund scheme, contributions are also made by the employees. An amount of ₹ 12.50 Lacs (Previous period ₹ 9.24 Lacs) has been charged to the Profit & Loss Account on account of this defined contribution scheme.

The Company provides benefits to its employees under the Leave Encashment pay plan which is a non-contributory defined benefit plan. The employees of the Company are entitled to receive certain benefits in lieu of the annual leave not availed of during service, at the time of leaving the services of the Company. The benefits payable aggregating to Nil are provided on a maximum liability basis for the year ended March 31, 2016

The Gratuity benefits are funded through a defined benefit plan. For this purpose the Company has obtained a qualifying insurance policy from Life Insurance Corporation of India.

The Company provides benefit to its employees as per the provision of the Gratuity Act 1972. Provision for gratuity aggregating to ₹ 6.15 Lacs has been made on a maximum liability basis for the year ended Mar 31, 2016

Details of Gratuity and Leave Encashment disclosure as required by AS-15 are detailed hereunder:

	Year Ended 31.03.2016 (₹in Lacs)		Year Ended 31.03.2015 (₹in Lacs)	
	Group Gratuity	Leave Encashment	Group Gratuity	Leave Encashment
Present Value of Obligation as at the Beginning of the year	21.16	3.17	14.21	2.07
Interest Cost	1.69	0.25	1.14	0.17
Current Service Cost	4.22	2.48	2.97	1.92
Benefits Paid	0.64	0.05	0.88	0.29
Actual Gain / ( Loss )	(2.49)	1.53	(3.73)	0.69
Present Value of Obligation as at the end of the year	28.92	4.32	21.16	3.17
Fair Value of Plan Assets at the Beginning of the year	26.64	-	18.91	-
Expected Return on Plan Assets	2.24	-	1.67	-
Contributions	5.78	-	6.95	-
Benefits Paid	0.64	-	0.88	-
Actual Gain / ( Loss )	(2.49)	-	(3.73)	-
Fair Value of Plan Assets at the end of the year	34.02	-	26.64	-
Funded Status	5.10	-	5.48	-
Actual Gain / ( Loss ) for the year - Obligations	(2.49)	1.53	(3.73)	0.69
Actual Gain / ( Loss ) for the year Plan Assets	-	-	-	-
Total Gain / ( Loss ) for the year	(2.49)	1.53	(3.73)	0.69
Amount to be recognized in the Balance Sheet				
Present value of obligations as at the end of the year	28.92	(4.32)	21.16	(3.17)
Fair value of Plan Assets as at the end of the year	34.02		26.64	
Funded / Unfunded Status	5.10	(4.32)	5.48	(3.17)
Net Asset / ( Liability ) recognized in the Balance Sheet	5.10	(4.32)	5.48	(3.17)
Expenses recognized in the Profit & Loss Account				
Current Service Cost	4.22	2.48	2.97	1.92
Interest Cost	1.69	0.25	1.14	0.17
Expected Return on Plan Assets	2.24	-	1.67	-
Net Actual Gain / ( Loss ) recognized in the year	(2.49)	1.53	(3.73)	0.69
Expenses recognized in the Profit & Loss Account	6.15	1.21	6.17	1.39
Financial Assumptions as the valuation date				
Discount Rate ( p.a.)	8.00%	8.00%	8.00%	8.00%
Salary Escalation ( p.a.)	7.00%	7.00%	7.00%	7.00%
Withdrawal Rate ( p.a )	5%--1%	5%--1%	5%--1%	5%--1%

#### NOTE 24 : FINANCE COST

Interest on Fixed loans	713.37	225.68
Interest on Others	44.95	195.79
Financial Charges	-	27.15
Bank Charges	9.99	3.28
<b>TOTAL</b>	<b>768.31</b>	<b>451.91</b>

#### NOTE 25 : OTHER EXPENSES

Rates & Taxes	21.07	18.45
Insurance	8.24	7.73
Brokerage & Commission	8.86	11.38
Printing and Stationery	4.50	3.78
Travelling & Conveyance	7.78	4.88
Communication	6.86	9.76
Vehicle Fuel & Maintenance Expenses.	12.65	15.35
Legal & Professional Fees	88.16	66.58
Loss on Sale of Assets	0.38	-
Provision for Doubtful Debts & Advance	190.00	47.50
Directors sitting Fees	2.40	-
Auditors' Remuneration	8.41	6.07
Miscellaneous Expenses	73.90	29.36

VIVA HIGHWAYS LTD.

NOTES ACCOMPANING FINANCIAL STATEMENTS

TOTAL

433.23

220.83

## NOTE 26: SIGNIFICANT ACCOUNTING POLICIES AND ADDITIONAL STATEMENT OF NOTES:

### COMPANY OVERVIEW:

Viva Highways Ltd. is a Special Purpose Entity incorporated on 16<sup>th</sup> August, 2001 under the provisions of the Companies Act, 1956. In pursuance of the contract with the Madhya Pradesh Road Development Corporation to design, reconstruct, strengthen, widen, rehabilitate, engineer, procure, finance, construct, operate and maintain Indore – Sanawad – Burhanpur - Edelabad section from Km 2.30 to Km 203 of SH-27 (the Project Highway) in Madhya Pradesh on Build, Operate and Transfer (BOT) basis. The said BOT contract does not make the Company owner of the road but entitles it to "Toll Collection Rights" in exchange of the construction cost incurred while constructing the road. Company has right to collect the Toll in respect of the above contract for total period of 5791 days i.e. from 22<sup>nd</sup> September 2001 to 31st July, 2017. The construction of the entire project has been sub-contracted to the holding company, viz. Ashoka Buildcon Ltd, as an EPC contractor. The Company has recently started in the real estate business.

### I SIGNIFICANT ACCOUNTING POLICIES:

#### a) Basis & Method of Accounting:

The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis. Financial Statements are prepared under historical cost convention, in accordance with the Generally Accepted Accounting Principles in India (GAAP) and comply in all material aspects, with mandatory accounting standards as specified in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The significant accounting policies followed by the Company are set out below.

#### b) Use of Estimates

Management has made certain estimates and assumptions in conformity with the GAAP in the preparation of these financial statements, which are reflected in the preparation of these financial statements. Difference between the actual results and estimates are recognised in the year in which the results are known.

#### c) Revenue recognition

i. Turnover represents the amount of toll collected during the year.

ii. Interest income is accounted on accrual basis.

iii. Development activities entered into by the company are accounted as per AS-9 on revenue recognition, as prescribed by the Guidance Note on accounting for real estate transactions. Revenue is recognised based on proportionate completion / receipts of areas sold to the ultimate buyer of the flats.

#### d) Fixed Assets

Fixed assets are carried at cost of acquisition less accumulated depreciation and any write downs for permanent diminution in value. Assets under construction are carried at cost and are not depreciated until brought into use in the business. Fixed assets include all duties, non-refundable taxes, levies and costs incurred (which are directly attributable) for bringing assets into working conditions for its intended use.

#### e) Intangible assets

Intangible assets are carried at cost of acquisition. These assets include all duties, non-refundable taxes, levies and costs incurred (which are directly attributable) for bringing assets into working conditions for its intended use.

#### f) Capital Work in Progress

Capital work in progress comprises of expenditure, direct or indirect, incurred on assets which are yet to be brought into working condition for its intended use against capital expenditure.

#### g) Depreciation & Amortization

i) Depreciation on tangible fixed assets has been provided on Written down Value Method at the useful lives specified in Schedule II to the Companies Act, 2013.

ii) Depreciation on additions / deletions of all fixed assets during the year is provided on pro-rata basis.

iii. License to collect Toll is amortised over the toll collection year on a written down value basis. The said manner of Amortization ensures that amount amortize is not less than the method specified in Schedule II of the Companies Act, 2013.

#### h) Retirement Benefits

i. Provision for liabilities in respect of leave encashment is made on the basis of an actuarial valuation, payable/recoverable in respect of the taxable income/loss for the reporting year.

ii. Provision for gratuity liability is made on the basis of actuarial valuation in respect of Group Gratuity Policy with an insurance company.

iii. Provident Fund benefit to employees is provided for on accrual basis and charged to Profit and Loss Account of the year.

#### i) Impairment of Fixed Assets

The Management periodically assesses, using external and internal sources, where there is an indication that an asset may be impaired. Impairment occurs

#### j) Inventory Valuation

i. Stock of land, plot, properties and rights attached to land are accounted for at lower of cost of acquisition or net realizable value.

ii. Inventory in real estate is valued at cost comprises of expenses directly attributable to contract and interest paid on borrowings.

## k) Borrowing Cost

Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalized as part of costs 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 charged to statement of profit and loss as incurred.

## l) Taxes on income

i. Tax expense comprises both current and deferred tax at the applicable enacted/substantively enacted rates. Current tax represents the amount of income tax payable in respect of the taxable income for the reporting year.

ii. Deferred tax represents the effect of timing differences between taxable income and accounting income for the reporting year that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed as at each Balance Sheet date to reassess realization.

## m) Investments

i) Non-current Investments are stated at acquisition cost. Investments acquired on merger are stated at their fair market value on the effective date of merger.

ii) Current Investment are Valued at lower of cost or market value. Purchases/Sales of investment are accounted on the trade date i.e. date on which the transaction is completed.

## n) Right to Collect Claims

Right to collect claims represents the contractual right of the Company to receive claims lodged with the concessioner/ employer. These claims are carried at Cost i.e. amount paid to acquire rights to receive claims lodged with the regulators/concessioner. All the expenses done subsequent to maintain these claims are charged to profit and loss account. Claim received is first appropriated towards the cost and the surplus, if any, shall be recognised as income

## II ADDITIONAL STATEMENT OF NOTES:

### 1. AS – 17 Segment Reporting

The Company is mainly engaged in execution of Indore - Edalabad Road project BOT contracts toll collection. The Management has decided to bifurcate segments as given below.

(₹ in Lacs )				
Particulars	Toll	Financing Activity	Real Estate Development	Total
Revenue	12,383.38	1,011.44	6,061.57	19,456.39
	(10,686.08)	(195.97)	(1,783.30)	(12,665.35)
Segment Results	10,281.99	247.06	4,708.87	15,237.92
	(8,275.73)	(221.29)	(1,498.74)	(9,995.76)
Unallocable Income				-
				(65.28)
Provision for Tax				3,273.80
				(2,059.77)
Provision for Tax				(7.60)
				-
Net Profit After Tax				11,971.72
				(7,450.52)
Segment Assets	424.19	29,638.30	21,743.43	51,805.93
	(1,772.72)	(27,328.57)	(18,664.26)	(47,765.55)
Unallocable Assets				894.30
				(119.11)
Segment Liability	775.37	6,832.95	10,296.51	17,904.82
	(388.07)	(7,962.05)	(6,300.97)	(14,651.09)
Unallocable Liabilities				152.13
				(1,162.99)
Capital Expenditure during the Period on Segment Assets	1.24	-	3,628.11	3,629.35
	(364.73)	-	-	(364.73)

Figures in brackets denotes figures for previous year

### 2. AS – 18 Related Party Transactions

#### A. Holding Company

Ashoka Buildcon Ltd.

#### B. Key Management Personnel

Ashish A. Katariya  
Aditya S. Parakh  
Prasad D. Deokar ( Till 16.01.2016 )  
Manoj A. Kulkarni ( From 16.01.2016 )

#### C. Fellow Subsidiaries

Ashoka Infraways Ltd.  
Ashoka Highways (Durg) Ltd.  
Ashoka Belgaum Dharwad Tollway Ltd.  
Viva Infrastructure Ltd.  
Ashoka Technologies Pvt. Ltd.  
Ashoka Highway Ad  
Ashoka Highway Research Company Pvt.Ltd.  
Ashoka Cuttak Angul Tollway Ltd.  
Ashoka Infrastructures  
Ashoka Hungud Talikot Road Ltd.  
Unison Enviro Pvt.Ltd.

Ashoka DSC Katni By Pass Ltd.  
Ashoka Highways (Bhandara) Ltd.  
Ashoka Sambalpur Baragarh Tollway Ltd.  
Ashoka Concessions Ltd.  
Ashoka Precon Pvt.Ltd.  
Ashoka GVR Mudhol Nipani Road Pvt.Ltd.  
Ashoka Dhankuni Kharagpur Tollway Ltd.  
Ashoka Infrastructure Ltd.  
Ashoka Bagewadi Saundati Road Ltd.  
Ashoka Path Nirman ( Nashik ) Pvt.Ltd.  
Ashoka Highway Research Centre Pvt.Ltd.





ii Outstanding balances as on 31.03.2016

(₹. In Lacs)

Nature of Transactions	Holding Company	Key Management Personnel	Fellow Subsidiaries	Enterprises in which Key Management Personnel / Directors have significant influence	Relatives of Key Management Personnel
<b>Outstanding Receivables :</b>					
<b>Loan Given :-</b>					
Ashoka Buildcon Ltd.	(2,419.03)	-	-	-	-
Ashoka Highways (Bhandara) Ltd.	-	-	5,996.43	-	-
	-	-	(5,399.56)	-	-
<b>Debtors - Office Rent</b>					
Ashoka Concessions Ltd.	-	-	-	-	-
	-	-	-	-	-
<b>Outstanding Payables :</b>					
<b>Loan Taken :-</b>					
Ashoka Buildcon Ltd.	3,017.04	-	-	-	-
	-	-	-	-	-
<b>Purchase of Goods / Availing Services</b>					
Ashoka Buildcon Ltd.	576.71	-	-	-	-
	(183.50)	-	-	-	-
Ashoka Technologies Pvt. Ltd.	-	-	-	(0.11)	-
	-	-	-	2.00	-
Hotel Evening Inn Pvt.Ltd.	-	-	-	(2.00)	-
	-	-	-	1.20	-
Ashoka Valecha JV	-	-	-	-	-
	-	-	-	-	-

Figures in brackets denotes figures for previous year.

### 3. AS – 20 Earning per Share

(₹. In Lacs)

Particulars	Year Ended 31-March-2016	Year Ended 31-March-2015
Profit attributable to Equity Shareholders (Rs in Lacs)	11,971.72	7,450.52
No of Weighted Average Equity Shares outstanding during the year (Basic)	9,808,205	9,808,205
No of Weighted Average Equity Shares outstanding during the year (Diluted)	9,808,205	9,808,205
Nominal Value of Equity Shares (in Rs)	10.00	10.00
Basic Earnings per Share (in Rs) (Diluted)	122.06	75.96

### 4. AS – 22 Deferred Tax

The Company is claiming deduction under section 80 IA of The Income Tax Act, 1961. Consequently, timing differences originating are reversing within the Tax Holiday year. In accordance with the provisions of AS-22, the company has not recognized deferred tax liability on such timing differences.

### 5.Amounts paid or payable to Auditors as fees or otherwise for services rendered

(₹. In Lacs)

Particulars	Year Ended 31-March-2016	Year Ended 31-March-2015
Audit fees	6.75	6.07
Other Services	1.66	-
Out of Pocket Expenses	-	-
<b>Total</b>	<b>8.41</b>	<b>6.07</b>

### 6. Disclosure As Required By "Guidance Note On Accounting For Real Estate Transactions (Revised 2012)

Particulars	Year ended 31-Mar-2016	Year ended 31-Mar-2015
Project revenue recognised as revenue for the period ended	915.91	549.65
Methods used to determine the project revenue	Percentage of completion	Percentage of completion
Method used to determine the stage of completion of the Project	Actual cost to budgeted cost	Actual cost to budgeted cost
Aggregate amount of costs incurred	191.49	111.90
Advances received	1,465.56	549.65
Amount of work in progress	1,510.65	1,692.41
Amount of Construction Materials	-	-

### 7. CSR Expenditure

Particulars	Year ended 31-Mar-2016	Year ended 31-Mar-2015
(i) Gross Amount required to be spent by the Company during the year	152.75	91.97
(ii) Amount spent during the year	-	-
(a) Construction / Acquisition of any assets	-	-
(b) On the purpose other than above (ii) (a) in Cash	-	-
(c) On Purpose oher than above (ii) (a) yet to be paid in Cash	-	-

8. Balances of creditors, loans & advances, deposits etc. are subject to confirmation, and reconciliation, if any.
9. There are no finished goods, work in process and raw materials under current assets.
10. Previous year figures have been regrouped/ rearranged wherever necessary, to make them comparable with current period figures.

As per Our Report of Even Date  
**For M.P. Chitale & Co.**  
**Chartered Accountants**

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

**Ashutosh Pednekar**  
**Partner**

**Manoj A. Kulkarni**  
**Company Secretary**

**Ashish A. Katariya**  
**Director**  
DIN - 00580763

**Aditya S. Parakh**  
**Director**  
DIN - 063668409

**Place: Mumbai**  
**Date: May 12, 2016**

**Place: Mumbai**  
**Date: May 12, 2016**