

**INDEPENDENT AUDITOR'S REPORT**

**To,**  
**The Members of**  
**M/s. Sintex Infra Projects Limited**

***Report on the Standalone Financial Statements***

We have audited the accompanying standalone financial statements of **M/s. Sintex Infra Projects Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

***Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

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

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

We have conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements

and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31<sup>st</sup> March, 2016, and its Statement of Profit and Loss and its cash flows statement for the year ended on that date.

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

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the

Accounting Standards specified under Section 133 of the Act, read with Rule of the Companies (Accounts) Rules, 2014.

- (e) There are no observations or comments on the financial transactions or matters which have any adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**Place: Ahmedabad**  
**Date: 30<sup>th</sup> April, 2016**

**For, R Choudhary and Associates**  
**Chartered Accountants**  
**(Registration No. 101928W)**

**Sd**

**Ramchandra choudhary**  
**Partner**  
**M. No. 043979**

**ANNEXURE-A\***

**THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF M/S. SINTEX INFRA PROJECTS LIMITED**

**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 **M/s. Sintex Infra Projects Limited** ("the Company") as of 31 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 issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based

on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 31 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**Place: Ahmedabad  
Date: 30<sup>th</sup> April, 2016**

**For, R Choudhary and Associates  
Chartered Accountants  
(Registration No. 101928W)**

**Sd**

**Ramchandra choudhary  
Partner  
M. No. 043979**

**M/S. SINTEX INFRA PROJECTS LIMITED**  
**Annexure to Independent Auditors' Report for the period ended March 2016**  
**(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)**

**(i) Fixed Assets**

- a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size & nature of the company. No material discrepancies were noted on such verification.
- c) According to the information and explanations given to us, there are no immovable assets held by the company, hence clause C of paragraph 3 (i) of the order is not applicable to the Company.

**(ii) Inventories**

As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

**(iii) Loans given**

The Company has not granted any Secured or unsecured loan to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence reporting under clause 3 (iii) (a), (b) and (c) does not arise.

**(iv) Compliance of Sec. 185 & 186**

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

**(v) Public Deposit**

During the year, the company has not accepted any deposits from the public, therefore, paragraph 3 (v) of the order is not applicable.

**(vi) Cost Records**

The company is not required to maintain the cost records as prescribed by the Central Government under sub section (1) of the section 148 of the Act.

**(vii) Statutory Dues**

- a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, Employees State insurance, income-tax, Sales-Tax, Wealth Tax, Service tax, value added tax, cess and Entertainment Tax etc. *except in some cases in deposition of TDS & Service Tax liability during the year.* There are no undisputed dues payable, outstanding as on 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no amounts in respect of income tax, service tax etc. that have not been deposited with the appropriate authorities on account of any dispute.

**(viii)** In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.

**(ix)** The Company has not raised money by way of initial public offer or further public offer (including debt instrument) any term loans during the period under audit therefore, paragraph 3 (ix) of the order is not applicable to the company.

**(x)** To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

**(xi)** In our opinion and according to information & explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals



mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.

- (xii) As explained, the company is not a Nidhi Company. Therefore paragraph 3 (xii) of the order is not applicable to the company.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable
- (xvi) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

**Place: Ahmedabad**  
**Date: 30<sup>th</sup> April, 2016**

**For, R Choudhary and Associates**  
**Chartered Accountants**  
**(Registration No. 101928W)**

**Sd**

**Ramchandra choudhary**  
**Partner**  
**M. No. 043979**

**SINTEX INFRA PROJECTS LIMITED**  
**Balance Sheet as at 31st March, 2016**

Particulars		Note No.	As at 31st March, 2016 (` in lacs)	As at 31st March, 2015 (` in lacs)
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	3	245.00	200.00
	(b) Reserves and surplus	4	34,246.95	25,750.17
			34,491.95	25,950.17
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	5	30,273.53	29,393.93
	(b) Deferred tax liabilities (net)		2,719.52	1,996.98
	(c) Other long-term liabilities	6	7,929.52	26,777.62
	(d) Long-term provisions	7	7.12	4.29
			40,929.69	58,172.82
<b>3</b>	<b>Current liabilities</b>			
	(a) Trade payables	8	13,664.76	29,652.64
	(b) Other current liabilities	9	12,264.59	3,160.83
	(c) Short-term provisions	10	17.24	46.96
			25,946.59	32,860.43
	<b>TOTAL</b>		101,368.23	116,983.42
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	11	27,016.49	28,374.50
	(ii) Intangible assets		2.04	1.49
			27,018.53	28,376.00
	(b) Non-current investments	12	4,221.41	4,221.41
	(c) Long-term loans and advances	13	21,236.94	31,202.73
			25,458.35	35,424.14
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	14	4,161.04	1,687.32
	(b) Trade receivables	15	17,157.60	41,259.82
	(c) Cash and cash equivalents	16	6,072.72	1,270.65
	(d) Short-term loans and advances	17	21,500.00	8,965.48
			48,891.36	53,183.28
	<b>TOTAL</b>		101,368.23	116,983.42
See accompanying notes forming part of the financial statements				

In terms of our report attached.

**For, R Choudhary & Associates**  
**Chartered Accountants**  
**(Registration No. 101928W)**

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

Sd

Sd

Sd

Sd

*Ramchandra choudhary*  
*Partner*  
*Membership NO. 043979*

*S. N. Maheshwari*  
*C.F.O.*

*S. B. Dangayach*  
*Director*

*Rahul A. Patel*  
*Director*

Place : Ahmedabad  
Date : 30.04.2016

Place : Ahmedabad  
Date : 30.04.2016

**SINTEX INFRA PROJECTS LIMITED**
**Statement of Profit and Loss for the year ended 31st March, 2016**

	Particulars	Note No.	For the year ended 31st March, 2016	For the year ended 31st March, 2015
			(` in lacs)	(` in lacs)
1	Revenue from operations (net)	18	91,859.76	78,397.25
2	Other income	19	39.67	0.09
3	<b>Total revenue (1+2)</b>		<b>91,899.44</b>	<b>78,397.35</b>
4	Expenses			
	(a) Cost of materials consumed	20	80,193.81	69,900.26
	(b) Employee benefits expense	21	134.84	115.82
	(c) Finance costs	22	5,847.71	3,912.60
	(d) Depreciation and amortisation expense	12	1,389.29	1,387.86
	(e) Other expenses	23	551.06	236.13
	<b>Total expenses</b>		<b>88,116.70</b>	<b>75,552.68</b>
5	<b>Profit before exceptional items and tax (3-4)</b>		<b>3,782.74</b>	<b>2,844.68</b>
6	Exceptional items			
7	<b>Profit before tax (5-6)</b>		<b>3,782.74</b>	<b>2,844.68</b>
8	<b>Tax expense:</b>			
	(a) Current tax expense for current year		807.30	596.26
	(b) Deferred tax		722.54	864.20
	(c) MAT Credit		(213.88)	(477.30)
			<b>1,315.96</b>	<b>983.16</b>
9	<b>Profit for the year (7-8)</b>		<b>2,466.78</b>	<b>1,861.52</b>
	See accompanying notes forming part of the financial statements			
<b>See accompanying notes forming part of the financial statements</b>				

In Terms of our report attached attached

**For R Choudhary & Associates**

Chartered Accountants

(Registration No. 101928W)

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

Sd

Sd

Sd

Sd

*Ramchandra choudhary*

Partner

Membership NO. 043979

*S. N. Maheshwari*

C.F.O.

*S. B. Dangayach*

Director

*Rahul A. Patel*

Director

Ahmedabad

Date:30.04.2016

Ahmedabad

Date:30.04.2016

**SINTEX INFRA PROJECTS LIMITED**
**Cash Flow Statement for the year ended 31st March, 2016**

Particulars	For the year ended 31st March, 2016		For the year ended 31 March, 2015	
	(` in lacs)	(` in lacs)	(` in lacs)	(` in lacs)
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		3,782.74		2,844.68
<u>Adjustments for:</u>				
Depreciation and amortisation	1,389.29		1,387.86	
(Profit) / loss on sale / write off of assets				
Finance costs	5,847.71		3,912.60	
Interest income				
Miss. Exp written off				
Net unrealised exchange (gain) / loss		7,237.00		5,300.46
Operating profit / (loss) before working capital changes		<b>11,019.73</b>		<b>8,145.13</b>
<u>Changes in working capital:</u>				
Inventories	(2,473.72)		(978.52)	
Trade receivables	24,102.22		(2,061.29)	
Short-term loans and advances	(12,566.34)		(9,968.38)	
Long-term loans and advances	10,688.33		4,675.24	
Trade payables	(15,987.88)		7,659.51	
Other current liabilities	9,103.76		2,212.34	
Short-term provisions	(29.72)		46.89	
Other long term liabilities	(18,845.27)		9,044.64	
		(6,008.61)		10,630.43
Cash generated from operations				
Net income tax (paid) / refunds	(1,315.96)	(1,315.96)	(983.16)	(983.16)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>3,695.17</b>		<b>17,792.40</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances				
Proceeds from sale of fixed assets				
Investments in Associates				
Interest received	-	-	-	-
<b>Net cash flow from / (used in) investing activities (B)</b>		-		-
<b>C. Cash flow from financing activities</b>				
Proceeds from long-term borrowings	879.60		(13,965.03)	
Repayment of long-term borrowings				
Net increase / (decrease) in working capital borrowings	-		(2,322.27)	
Proceeds from Equity Share Capital Including Premium	6,075.00		(0.00)	
Proceeds from other short-term borrowings	-		-	
Finance cost	(5,847.71)		(3,912.60)	
		1,106.89		(20,199.90)
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>1,106.89</b>		<b>(20,199.90)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>4,802.06</b>		<b>(2,407.50)</b>
Cash and cash equivalents at the beginning of the year		1,270.65		3,678.14
<b>Cash and cash equivalents at the end of the year</b>		<b>6,072.72</b>		<b>1,270.65</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
<b>Cash and cash equivalents at the end of the year *</b>				
* Comprises:				
(a) Cash on hand	0.01		0.04	
(b) Balances with banks				
(i) In current accounts	6,072.71		1,270.61	
		<b>6,072.72</b>		<b>1,270.65</b>
<b>See accompanying notes forming part of the financial statements</b>				

In Terms of our report attached

For **R Choudhary & Associates**

Chartered Accountants

(Registration No. 101928W)

For and on behalf of Board of Directors

Sd

Sd

Sd

Sd

Ramchandra choudhary  
Partner  
Membership NO. 043979

S.N. Maheshwari  
C.F.O.

S. B. Dangayach  
Director

Rahul A. Patel  
Director

Ahmedabad  
Date: 30.04.2016

Ahmedabad  
Date: 30.04.2016

## **SINTEX INFRA PROJECTS LIMITED**

### **Notes forming part of financial statements**

#### **Note 1:**

Sintex Infra Projects Limited is a public company domiciled in India and incorporated in 2009 under the provisions of the Companies Act, 1956. It is headquartered in Ahmedabad in Gujarat. The Company is Infrastructure Company and is one of the leading providers of infra project services and turnkey projects in India.

#### **Note 2: SIGNIFICANT ACCOUNTING POLICIES:**

The accounts are prepared in accordance with the accounting principles accepted in India. Significant accounting policies to the extent applicable to the company are only presented as under:

The Company prepares and presents its financial statements as per Schedule III to the Companies Act, 2013, as applicable to it from time to time. In view of revision to the Schedule III as per a notification issued during the year by the Central Government, the financial statements for the financial year ended 31<sup>st</sup> March, 2016 have been prepared as per the requirements of the Revised Schedule III to the Companies Act, 2013. The previous year figures have been accordingly regrouped / re-classified to conform to the current year's classification.

#### **A) Method of Accounting:**

The financial statements are prepared and presented under the accrual basis of accounting in accordance with the provisions of the Companies Act & in accordance with accounting principles generally accepted in India and comply with the accounting standards issue by the Institute of Chartered Accountants of India to the extent applicable.

In applying the Accounting Policies, consideration has been given to Prudence, substance over Form and Materiality.

#### **B) Expenditure during project implementation period:**

All known expenditures during the period of implementation stage are quantified till date and are accounted for.

#### **C) Fixed Assets & Depreciation:**

The accounting policy regarding fixed assets is the same will be stated at cost. Cost includes all expenses attributable to bringing the assets at its working condition for the intended use. Financing costs incurred upto the date of commissioning of assets are capitalized. Loss or gains on conversion / payment of foreign currency liabilities for acquisition of fixed assets are adjusted to the cost of the assets.

Depreciation on fixed assets is charged as per Schedule II on the basis of useful life of assets as Prescribed under Companies Act, 2013.

#### **D) Borrowing Cost**

Interest and other costs in connection with the borrowings of the funds to the extent related/ attributed to the acquisition /construction of qualifying fixed assets are capitalized up to the date when such assets are ready for their intended use and other borrowing costs are charged to the Statement of Profit and Loss.

## **E) Investments**

Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in nature. Current Investments are stated at lower of cost or fair value.

## **F) Inventories**

Inventories of finished goods, raw materials, process stock and property under development are carried at lower of cost and net realizable value. Fuel and stores & spare parts are carried at or below cost. Cost for raw materials, fuel, stores & spare parts are ascertained on weighted average basis. Cost for finished goods and process stock is ascertained on full absorption cost basis and includes excise duty. Cost of property under development includes cost of land, material, labour, manufacturing and other overheads.

## **G) Provision, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

## **H) Revenue Recognition**

Revenue is recognized based on the nature of activity, when consideration can be reasonably measured and there exists reasonable certainty of its recoverability. Revenue from contract is recognized when substantial risk and rewards of ownership are conveyed to the buyer under the terms of the contract.

## **I) Prior Period Expenses/Income**

Material items of prior period expenses/income are disclosed separately, if any.

## **J) Employee Benefits**

### **Defined Contribution Plan**

The Company's contributions paid / payable for the year to Provident Fund and ESIC are recognised in the Statement of Profit and Loss.

### **Defined Benefit Plan**

The Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognised on a straight line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

## **K) Accounting for Tax**

Current tax is accounted on the basis of estimated taxable income for the current accounting period and in accordance with the provisions of the Income Tax Act, 1961. Deferred tax resulting from "Timing Differences" between book and taxable profit is accounted for using the tax rates that have been enacted or substantively enacted on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.

**SINTEX INFRA PROJECTS LIMITED**  
**Notes forming part of the financial statements**

**3 Share capital**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	(` in lacs)	(` in lacs)
<b>Authorised</b> 30,00,000 Equity Shares of Rs.10/- Each	300.00	300.00
<b>Total</b>	300.00	300.00
<b>Issued</b> 24,50,000 Equity Shares of Rs.10/- Each	245.00	200.00
<b>Total</b>	245.00	200.00
<b>Subscribed and fully paid up</b> 24,50,000 Equity Shares of Rs.10/- Each	245.00	200.00
<b>Total</b>	245.00	200.00

**Notes:-**

(i). Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.

Equity shares with voting rights	Year ended 31 March 2016	Year ended 31 March 2015
At the beginning of the reporting period		
- Number of shares	2,000,000.00	2,000,000.00
- Amount (Rs. In lacs)	200.00	200.00
	-	-
Issued during the reporting period		
- Number of shares	450,000.00	-
- Amount (Rs. In lacs)	45.00	-
	-	-
At the end of the reporting period		
- Number of shares	24,500,000.00	2,000,000.00
- Amount (Rs. In lacs)	245.00	200.00

(ii). Terms/ Rights attached to equity shares

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

(iii). Equity shareholder holding more than 5% of equity shares along with the number of equity shares held is as given below:

Class of shares / Name of shareholder	Year ended 31 March 2016		Year ended 31 March 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Sintex Industries Limited			2,000,000.00	100%
BVM Overseas Limited	2,450,000	100%		

**4 Reserves and surplus**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	(` in lacs)	(` in lacs)
(a) Securities premium account		
Opening balance	14,555.00	14,555.00
Add: Premium on issue of shares	6,030.00	-
Closing balance	20,585.00	14,555.00
(b) Surplus in Statement of Profit and Loss		
Opening balance	11,195.17	9,333.65
Add: Profit for the year	2,466.78	1,861.52
Closing balance	13,661.95	11,195.17
<b>Total</b>	<b>34,246.95</b>	<b>25,750.17</b>



**SINTEX INFRA PROJECTS LIMITED**  
**Notes forming part of the financial statements**

**5 Long-term borrowings**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	(` in lacs)	(` in lacs)
(a) Term loans		
From banks		
Secured	10,937.50	13,854.17
From Financial Institutions		
Secured	9,000.00	-
(b) Loans from related parties	10,336.03	15,539.76
Unsecured		
<b>Total</b>	<b>30,273.53</b>	<b>29,393.93</b>

**6 Other long-term liabilities**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	(` in lacs)	(` in lacs)
Unsecured		
Trade / security deposits received	7,929.52	26,777.62
<b>Total</b>	<b>7,929.52</b>	<b>26,777.62</b>

**7 Long-term provisions**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	(` in lacs)	(` in lacs)
(a) Provision for employee benefits: (Refer Note 30.1 )		
(ii) Provision for gratuity	3.09	1.68
(iii) Provision for employee benefits	4.02	2.60
<b>Total</b>	<b>7.12</b>	<b>4.29</b>

**8 Trade payables**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	(` in lacs)	(` in lacs)
Trade payables	13,664.76	29,652.64
<b>Total</b>	<b>13,664.76</b>	<b>29,652.64</b>

**9 Other current liabilities**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	(` in lacs)	(` in lacs)
(a) Current maturities of long-term debt	3,916.67	2,916.67
(b) Interest accrued but not due on borrowings	1.21	238.41
(c) Other payables		
(i) Trade / security deposits received	11.15	5.75
(ii) Advances from customers	8,335.57	-
<b>Total</b>	<b>12,264.59</b>	<b>3,160.83</b>

**10 Short-term provisions**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	(` in lacs)	(` in lacs)
(a) Provision for employee benefits:		
(i) Provision for Leave Encashment	0.13	0.07
(ii) Provision for gratuity	0.01	0.01
	0.14	0.08
(b) Provision - Others:		
(i) Provision - others	17.10	46.88
	-	-
<b>Total</b>	<b>17.24</b>	<b>46.96</b>

SINTEX INFRA PROJECTS LIMITED  
Notes forming part of the financial statements

( ` in lacs)											
Particulars	GROSS BLOCK					DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at 1st April, 2015	Additions	Sales/Adju-	Borrowing Cost	As at 31st March 2016	Upto 1st April,2015	For the year ended	Adjustments	Upto 31st March 2016	As at 31st March 2016	As at 31st March 2015
1	2	3	4	5	6	7	8	9	10	11	12
(A) Tangible Assets											
1. Plant & Machinery	30,415.44	30.10	-	-	30,445.54	2,123.52	1,382.25	-	3,505.77	26,939.77	28,318.88
2. Furniture, Fixtures & office equipments	4.93	0.33	-	-	5.26	1.66	0.63	-	2.29	2.97	3.39
3. Vehicles used for construction Purpose	109.93	-	-	-	109.93	30.62	5.74	-	36.36	73.57	52.23
(B) Intangible Assets											
1. Computer software	1.64	1.39	-	-	3.03	0.15	0.66	-	0.81	2.22	1.49
TOTAL ASSETS	30531.94	31.82	0.00	-	30563.76	2155.94	1389.29	0.00	3545.23	27018.53	28376.00

(b) Depreciation and amortization for the year

Particulars	( ` in lacs)
Depreciaton and amortisaton fo the year on assets as per note no. 11 (a)	1389.29

**SINTEX INFRA PROJECTS LIMITED**  
**Notes forming part of the financial statements**

**12 Non-current investments**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	(` in lacs)	(` in lacs)
Investments (At cost)		
<b>A. Trade, Unquoted</b>		
Investments in Associates		
Zillion Infra Projects Pvt. Ltd ( erstwhile Durha Construction P Ltd)	4,221.41	4,221.41
3056093 (previous year 3056093) equity shares of Rs.10 each fully paid		
<b>Total</b>	<b>4,221.41</b>	<b>4,221.41</b>

**13 Long-term loans and advances**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	(` in lacs)	(` in lacs)
(a) Security deposits		
Secured, considered good		
Unsecured, considered good	19,978.51	29,687.34
(b) Advance income tax [net of provisions]	116.03	586.87
(c) MAT Credit Entitlement	1,142.40	928.52
<b>Total</b>	<b>21,236.94</b>	<b>31,202.73</b>

**14 Inventories ( At lower of cost and net realisable value)**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	(` in lacs)	(` in lacs)
Raw materials	4,161.04	1,687.32
<b>Total</b>	<b>4,161.04</b>	<b>1,687.32</b>

**15 Trade receivables**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	(` in lacs)	(` in lacs)
Other Trade receivables		
Unsecured, considered good	17,157.60	41,259.82
<b>Total</b>	<b>17,157.60</b>	<b>41,259.82</b>

**16 Cash and cash equivalents**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	(` in lacs)	(` in lacs)
(a) Cash on hand	0.01	0.04
(b) Balances with banks		
(i) In current accounts	6,072.70	1,270.61
<b>Total</b>	<b>6,072.72</b>	<b>1,270.65</b>

**17 Short-term loans and advances**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	(` in lacs)	(` in lacs)
(b) Advances recoverable in cash or in kind		
Secured, considered good	-	-
Unsecured, considered good	21,500.00	8,965.48
<b>Total</b>	<b>21,500.00</b>	<b>8,965.48</b>

**SINTEX INFRA PROJECTS LIMITED**  
**Notes forming part of the financial statements**

**18 Revenue from operations**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	(` in lacs)	(` in lacs)
Revenue from Contracts	91,859.76	78,397.25
<b>Total</b>	<b>91,859.76</b>	<b>78,397.25</b>

**19 Other income**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	(` in lacs)	(` in lacs)
Interest income	29.37	0.09
Miscellaneous Income	10.30	0.00
<b>Total</b>	<b>39.67</b>	<b>0.09</b>

**20 Cost of materials consumed**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	(` in lacs)	(` in lacs)
Opening stock	1,687.32	708.80
Add: Purchases	82,667.53	70,878.78
Less: Closing stock	(4,161.04)	(1,687.32)
<b>Total</b>	<b>80,193.81</b>	<b>69,900.26</b>

**21 Employee benefits expense**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	(` in lacs)	(` in lacs)
Salaries and wages	134.84	115.82
<b>Total</b>	<b>134.84</b>	<b>115.82</b>

**22 Finance costs**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	(` in lacs)	(` in lacs)
Interest expense on:		
On Fixed Loans	2,629.54	2,100.04
On Working Capital and others	3,218.17	1,812.56
<b>Total</b>	<b>5,847.71</b>	<b>3,912.60</b>

**23 Other expenses**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	(` in lacs)	(` in lacs)
Rent including lease rentals	1.32	1.71
Insurance	24.03	34.78
Travelling and conveyance	8.78	11.85
Legal and professional	79.23	54.33
Payments to auditors	1.14	1.54
General Charges	436.56	131.93
<b>Total</b>	<b>551.06</b>	<b>236.13</b>

**Note 24:**

There are no Micro, Small and Medium Enterprises, to whom the company owes dues as at 31st March, 2016. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. Auditors have relied upon and accepted the information as provided by the management.

**Note 25:**

In the opinion of Board of Directors of the company and to the best of knowledge and belief the realizable value of current assets; in the ordinary course of business is not less than the amount at which they are stated in the Balance Sheet and the provision for all known and determined liabilities has been adequately made.

**Note 26: Disclosure pursuant to Accounting Standard (AS) 15 (Revised)**  
**"Employee Benefits"**

i)	Amount recognized in the Balance Sheet	Gratuity		Leave Encashment
	Present Value of Funded Obligation	--	--	--
	Fair Value of Plan Assets	--	--	--
	Present Value of Unfunded Obligation	3,11,123	4,13,373	
	Unrecognized past service cost	--	--	
	Net Liability	3,11,123	4,13,373	
	Amount in the Balance Sheet			
	Liabilities	3,11,123	4,13,373	
	Assets	--	--	
	Net Liability	3,11,123	4,13,373	
ii)	<b>Expenses recognized in Profit &amp; Loss Account for the year ended.</b>			
	Current service cost	1,42,396	78,069	
	Interest Cost	13,686	20,022	
	Expected return on plan assets	--	--	
	Net actuarial losses (gains)	(20,930)	65,516	
	Prior year charges	--	--	
	Total included in "Employee Benefit Expenses"	1,35,152	1,63,607	
iii)	<b>Reconciliation of Closing balances of changes in present value of the Defined Benefit Obligation</b>			
	Opening defined benefit obligation	1,75,971	2,60,221	
	Service Cost	1,42,396	78,069	
	Interest Cost	13,686	20,022	
	Actuarial losses (gains)	(20,930)	65,516	
	Prior period Charge	--	--	
	Losses (gains) on curtailments	--	--	
	Liabilities extinguished on settlements	--	--	
	Benefits paid	--	(10,455)	
	Closing defined benefit obligation	3,11,123	4,13,373	
iv)	<b>Reconciliation of Opening and Closing balances of changes in fair value of plan assets</b>			
	Opening fair value of plan assets	-	-	
	Expected return on plan assets	-	-	
	Actuarial gains and (losses)	-	-	
	Assets distributed on settlements	-	-	
	Contributions by employer	-	-	
	Benefits paid	-	-	
	Closing balance of fair value of plan assets	-	-	

v)	<b>The major category of plan assets as a percentage of Total plan assets</b>		
	Qualifying Insurance Policy	--	--
vi)	<b>Net Liability recognized in the Balance sheet</b>		
	Defined Benefit Obligation	3,11,123	4,13,373
	Fair value of plan assets	--	--
	Surplus/(deficit)	(3,11,123)	(4,13,373)
	Experience adjustments on plan liabilities	(16,436)	70,913
	Actuarial loss/(gain) due to change in financial assumptions	(4,494)	(5,397)
	Experience adjustments on plan assets	--	--
	Present Value of unfunded obligation recognized as liability and shown under the head "Provisions".	3,11,123	4,13,373
vii)	<b>Principal Actuarial Assumptions used</b>		
	Discount Rate (p.a.)	7.95%	7.95%
	Expected return on plan assets	--	--
	Annual increase in salary costs	6.00%	6.00%
	Proportion of employees opting for early retirement	--	--

**Note 27:**

The Deferred Tax Liabilities /Asset Comprises of tax effect of timing difference on account of:

(Rs. In lacs)		
Particulars	31.03.2016	31.03.2015
Deferred Tax Liabilities	2719.52	1996.98
Difference between book and tax depreciation		

**Note 28: Related party disclosures:**

Names of related parties & description of relationship

Sr. No.	Nature of relationship	Name of Related Parties
1	Key Management Personnel	Shri Rahul A. Patel, Shri Amit D. Patel, Shri S. B. Dangayach, Shri Sanjib S. Roy Shri S.N. Maheshwari
2	Ultimate Holding Company	Sintex Industries Limited
3	Holding Company	BVM Overseas Limited
4	Associate Company	Zillion Infraprojects Pvt Limited (Erstwhile Durha Constructions Pvt Ltd)

**Details of transaction with related parties:**

(Rs.in Lacs)

Sr. No.	Nature of transaction	Nature of Relationship			
		Holding Companies		Associates	
		15-16	14-15	15-16	14-15
1.	Purchase of goods	1611.91	681.99		
2.	Sales	45657.11	5233.02		
3.	Interest exp.	2636.06	2414.26		

**Balance as at 31<sup>st</sup> March, 2016:**

**(Rs.in Lacs)**

Sr. No.	Nature of transaction	Nature of Relationship			
		Holding Companies		Associates	
		15-16	14-15	15-16	14-15
1.	Long term Borrowings and Business advances	22671.59	30980.75		
2.	Trade Receivables	1863.34	1018.42		
3.	Trade Payables	406.38	273.15		
4.	Investments		-	4221.41	4221.41

**Note 29: Calculation of Earnings per Share pursuant to the Accounting Standard (AS-20) and its disclosure is as under:**

**(Rs.in Lacs)**

Particulars	For the year ended on 31st March,2016	For the year ended on 31st March,2015
Profit/(Loss) attributable to equity shareholders	2473.61	1861.51
Weighted average number of equity shares	2150000	2000000
Nominal value of Equity share	Rs. 10/- each	Rs. 10/- each
Basic Earnings per Share	Rs. 115.05 per share	Rs. 93.08 per share

In Terms of our report

Attached

For **R Choudhary & Associates**

*Chartered Accountants*

*(Registration No. 101928W)*

Sd

**Ramchandra D. Choudhary**

*Partner*

Membership No. 43979

Ahmedabad

Date: April 30, 2016

For and on behalf of Board of Directors

Sd

S. N. Maheshwari

*CFO*

Ahmedabad

Date: April 30, 2016

Sd

S.B. Dangayach

*Director*

Sd

Rahul A. Patel

*Director*