



DFL / SEC / 2015 - 16
May 30, 2016

Registered Office
DFL Infrastructure Finance Ltd
No. 14, Ramakrishna Street,
T. Nagar, Chennai - 600 017
Tel. : +91 44 2814 1778
Fax : +91 44 2814 1612
Email: dffinance@dfi.co.in
Website : www.dffinance.com
CIN : L65921TN1986PLC013626

The Corporate Relationship,
Dept. of Corporate Services,
The Bombay Stock Exchange,
25th Floor, P J Towers,
Dalal Street,
Mumbai 400 001

Dear Sir,

Sub: Submission of audited Financial Results for the quarter and Year ended 31st March, 2016.

Ref: Reg. 33 and 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement.

Referring to above, the Board of Directors of the Company met on Monday, the 30th May, 2016 and have approved and taken on record the Audited Financial Results for the quarter and Year ended 31st March, 2016.

A copy of the financial results in the prescribed format duly signed by our Wholetime Director together with Standalone and Consolidated Audit Report and Declaration for Statement on Impact of Audit Qualifications are enclosed for your perusal and records.

The results are being simultaneously made arrangements for publishing the extract of the Audited financial results in Trinity Mirror and Makkal Kural on 31st May, 2016.

Kindly take the same on records.

Thanking you,

Yours truly,
for DFL Infrastructure Finance Ltd,

Balasubramanian Ramaiah
Wholetime Director

Encl: as above



DFL Infrastructure Finance Limited

Registered & Corporate Office: 14, Ramakrishna Street, T. Nagar, Chennai-600 017
AUDITED FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED 31st March, 2016
 website: www.dffinance.com; e-mail id: investorcell@dfi.co.in

(Rupees in Millions)

SI No	PARTICULARS	Quarter Ended			Year Ended		Consolidated (Audited)	
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
		Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
1	Income From Operations							
	a) From Operations	-	(0.05)	0.04	(0.07)	3.06	(0.07)	3.06
	b) Receipt on Closed Contracts	-	-	-	3.20	-	3.20	-
	Total (a+b)	-	(0.05)	0.04	3.13	3.06	3.13	3.06
2	Expenditure							
	a) Staff Cost	0.95	1.20	1.69	5.35	9.24	5.35	9.50
	b) Bad Debts & Shoerfall repossession Written Off	0.07	-	218.39	0.07	218.39	0.07	218.39
	c) Loss on Closed Contracts & Rebate on Settlement	(0.01)	0.04	(0.36)	(0.06)	11.33	(0.06)	11.33
	d) Provision in Std. Assets and NPA	0.66	0.43	(0.44)	3.32	(10.41)	3.32	(10.41)
	e) Depreciation	0.31	0.31	0.21	1.23	1.57	1.23	1.57
	f) Other Expenditure	2.20	1.16	1.89	5.90	7.50	5.93	7.53
	Total (a+b+c+d+e+f)	4.17	3.13	221.39	15.81	237.62	15.83	237.90
3	Profit from operations before other income, Interest and Exceptional items (1-2)	(4.17)	(3.18)	(221.35)	(12.68)	(234.56)	(12.70)	(234.84)
4	Other Income	0.67	0.14	0.47	1.54	1.49	1.55	1.54
5	Profit before interest and Exceptional Items (3+4)	(3.50)	(3.04)	(220.88)	(11.14)	(233.07)	(11.15)	(233.31)
6	Interest	26.69	27.24	27.26	108.39	109.03	108.39	109.03
7	Profit after interest but before Exceptional Items (5-6)	(30.18)	(30.28)	(248.14)	(119.52)	(342.10)	(119.54)	(342.34)
8	Exceptional Items	-	-	-	-	-	-	-
9	Profit (+) / Loss (-) from Ordinary Activities before tax (7+8)	(30.18)	(30.28)	(248.14)	(119.52)	(342.10)	(119.54)	(342.34)
10	Tax expenses (including Deferred tax & FBT)	-	-	-	-	-	-	-
11	Net profit (+) / Loss (-) from the ordinary activities after tax(9-10)	(30.18)	(30.28)	(248.14)	(119.52)	(342.10)	(119.54)	(342.34)
12	Extraordinary Items	-	-	-	-	-	-	-
13	Net profit (+) / Loss (-) for the period (11-12)	(30.18)	(30.28)	(248.14)	(119.52)	(342.10)	(119.54)	(342.34)
14	Paid up Equity Share Capital (Face Value of Rs. 10/- each)	59.54	59.54	59.54	59.54	59.54	59.54	56.80
15	Reserves excluding revaluation reserves as per Balance sheet of previous accounting year	-	-	-	(1,797.17)	(1,453.16)	(1,787.18)	(1,442.93)
16	a) Basic / diluted EPS before Prior Period items (Rs.)	(28.91)	(5.09)	(41.68)	(28.91)	(66.69)	(28.92)	(66.69)
	b) Basic / diluted EPS after Prior Period Items (Rs.)	(28.91)	(5.09)	(41.68)	(28.91)	(66.09)	(28.92)	(66.09)

NOTES:

- The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Accounting Standard 17 (AS 17).
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30th May, 2016
- The Reserve Bank of India had issued certain "Prohibitory Directions" under Section 45 JA and 45 L of Reserve Bank of India Act 1934 restraining the company to Sell, transfer, create charge or mortgage or deal with its property and assets; not to declare or distribute any Dividend; not to transact any business and not to incur any further liabilities. Further, the Company has been directed to submit periodical statements to Reserve Bank of India. Subsequently Reserve Bank of India issued Show Cause Notice Under Section 45-IA(6) on 3rd November, 2014 as why the Certification of Registration issued to the Company should not be cancelled. The Reserve Bank of India did not consider the replies filed by the Company and consequently the Certificate of Registration (COR) of the Company has been cancelled by the Reserve Bank of India vide its order dated 15th February, 2016.
- The Company is not able to implement the CDR rework scheme as the scheme approved by the CDR Cell was not accepted by the banks. The management is taking efforts for an acceptable One Time Settlement (OTS) with Secured Creditors.
- Consequent to the non implementation of the CDR Re-work Package, the Company requested Consortium Banks to consider an OTS proposal to settle the Outstanding Liabilities comprised in the 'Borrowings' of the Company and OCCRPS issued as a part of CDR Re-work Package. The Company has received the approval from three banks and the Company is pursuing with the remaining 9 participating Banks. The Company is yet to settle the accepted offers. Pending execution and settlement of accepted amounts, impact of OTS will be recognised in the books of accounts upon settlement of OTS offer with respective banks. Pending completion of OTS Scheme, the Company has accounted for interest on borrowings at the rates provided in the CDR Package.
- The management of the company in the confident of carrying out the business by exploring fresh avenues and hence the financial statements are continued to be prepared under going concern basis.
- Loans and Advances includes an amount of Rs. 216.53 lacs paid to Mr. R Ravichandran, erstwhile Managing Director towards Managerial Remuneration. The same has not been approved by the Shareholders and the application made to the Central Government has been rejected. The Company is taking steps to recover this amount.
- Figures for the previous periods have been regrouped / reclassified wherever necessary.

for and on behalf of the Board of DFL Infrastructure Finance Limited

Balasubramanian Ramaiah
 Wholetime Director

Place: Chennai
 Date : 30.05.2016



DFL Infrastructure Finance Limited

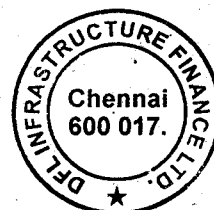
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STATEMENT OF ASSETS AND LIABILITIES FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016

website: www.dffinance.com; e-mail id: investorcell@dfi.co.in

(Rs. in Millions)

Particulars	Standalone		Consolidated	
	For the Financial year ended 31.03.2016	For the Financial year ended 31.03.2015	For the Financial year ended 31.03.2016	For the Financial year ended 31.03.2015
	Audited			
EQUITY AND LIABILITIES				
Shareholders' Funds				
(a) Share Capital	667.17	667.17	664.43	664.43
(b) Reserves and Surplus	-1786.15	-1666.63	-1776.18	-1656.64
(c) Minority Interest			0.04	0.04
Sub-total - Shareholders' Funds	-1118.98	-999.47	-1111.71	-992.18
Non- Current Liabilities				
(a) Long-term borrowings	0.00	0.00	0.00	0.00
(b) Long-term Provisions	0.00	0.00	0.00	0.00
Sub-total - Non - Current Liabilities	0.00	0.00	0.00	0.00
CURRENT LIABILITIES				
(a) Short-term borrowings	1451.92	1343.22	1442.45	1334.08
(b) Other current liabilities	6.04	6.57	6.05	6.58
(c) Short-term provisions	0.14	0.17	0.14	0.17
Sub-total - Current Liabilities	1458.09	1349.96	1448.64	1340.83
TOTAL - EQUITY AND LIABILITIES	339.11	350.49	336.93	348.66
ASSETS				
Non-Current Assets				
Fixed Assets				
(i) Tangible Assets	164.43	165.66	164.43	165.66
(ii) Intangible Assets	0.00	0.00	0.00	0.00
Non-current Investments	2.99	2.99	0.00	0.00
Receivables under financing activity	0.00	0.47	0.00	0.47
Long-term loans and advances	47.21	47.51	47.21	47.51
Other non current assets	107.51	107.48	107.04	107.01
Sub-total Non-Current Assets	322.15	324.11	318.68	320.65
Current Assets				
Current investments				
Receivables under financing activity	12.20	13.46	12.20	13.46
Cash and Cash equivalents	4.56	12.74	4.70	13.17
Short-term loans and advances	0.06	0.13	0.06	0.13
Other Current Assets	0.15	0.05	1.30	1.25
Sub-total Current Assets	16.96	26.38	18.25	28.01
TOTAL - ASSETS	339.11	350.49	336.93	348.66





P.B. Vijayaraghavan & Co.,

Chartered Accountants

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Nungambakkam, Chennai - 600 034.

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e-mail : admin@pbv.co.in

INDEPENDENT AUDITOR'S REPORT

To the Members of DFL Infrastructure Finance Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **M/s. DFL INFRASTRUCTURE FINANCE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st 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.





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Auditor's 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 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.





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Basis for Qualified Opinion

The debit balances under receivables and debtors' accounts and the credit balances are as per books of accounts subject to confirmation from the parties.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

Attention of the share holders is invited to the following:

- a. *The loans taken from some banks became NPA. The CDR Package and the CDR Rework Package were withdrawn by the CDR Empowered Group. In the meanwhile, the Company has approached the bankers for One Time Settlement Scheme for settlement of Loans and some of the banks have approved the same. The OTS Scheme offered by some of the Banks is pending implementation and settlement. These conditions, indicate the existence of material uncertainty that may cast a significant doubt about the Company's ability to continue as a Going Concern. (Refer Note 1, 6 & 7 of Schedule 18)*
- b. *The Company's net owned funds is below Rs. 25 lakhs, the limit prescribed by Reserve Bank of India under section 45 – IA of the Reserve Bank of India Act, 1934. This could attract penal provisions under section 45 - MC of the Act*



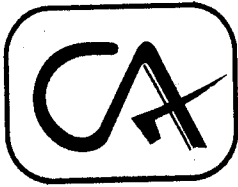


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- c. *The Reserve Bank of India, has issued certain prohibitory directions (Refer Note 2 & 3 of Schedule 18) under Section 45JA and Section 45L of Reserve Bank of India Act, 1934. Further to the notice by RBI asking the company to show cause why CoR should not cancelled, the RBI has cancelled the CoR of the company and consequently, the company cannot carry on the business of NBFC. These conditions along with those stated in (a) & (b) above & Note 1, 6 & 7 of Schedule 18 indicate the existence of material uncertainty that may cast a significant doubt about the Company's ability to continue as a Going Concern.*
- d. *The Company has entered into an amendment agreement with Asia Pragati Capfin Pvt. Ltd. (Preference Share Holder) on 27th March 2012 for redemption of preference shares of Rs.10 @ Rs. 8.54 per share. The gain on redemption amounting to Rs.325 lakhs has not been accounted for as the same would be accounted at the time of redemption during the years 2017, 2018 & 2019. (Refer Note No. 5 of Schedule 18)*
- e. *The shareholders have not approved the re-appointment and increase in remuneration of the erstwhile Managing Director and the amount is included in Loans and Advances. We are unable to express an opinion on the recoverability of the amount. (Refer Note No. 11 of Schedule 18)*
- f. *The remuneration of Whole Time Director for FY 2013-14 fixed by the Board of Directors was not fully approved by the Central Government, Ministry of Corporate Affairs vide its order dated 06th August 2014. The company has filed a petition for waiver of the excess amounts paid, which is pending (Refer Note No. 14 of Schedule 18).*
- g. *In the absence of profits, the Company could not declare dividend on the 4% and 9% Redeemable Preference Shares for the financial year 2015 -16 and hence it is not charged to the Statement of Profit and Loss. (Refer Note No. 18 of Schedule 18).*





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Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in Annexure – I a statement on the matters specified in the paragraph 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 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on March 31, 2016, 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 of Section 164 of the Act.





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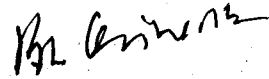
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- (f) With respect to the adequacy of internal financial control systems and the operating effectiveness of such controls, we give our Report in Annexure – II
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 19 & 20 of Schedule 18 to the financial statements;
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Chennai
Date: May 30, 2016

P. B. Vijayaraghavan and Co.,
Chartered Accountants
FRN: 004721S




P. R. Krishnamurthy
Partner
M. No: 012622

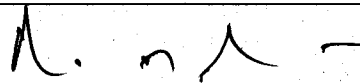
DFL Infrastructure Finance Limited

Declaration for Standalone Financial Statement with regard Audit Report for the Financial Year ended March 31, 2016

[Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I, Balasubramanian Ramaiah, Wholetime Director of DFL Infrastructure Finance Limited hereby confirm that there are no qualifications in the Audit Report of the Company for the year ended 31st March, 2016.

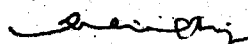
- CEO/Managing Director



Balasubramanian Ramaiah
Wholetime Director

- CFO

The Company does not have CFO

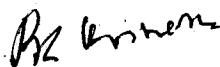


- Audit Committee Chairman

Mr. Dakshinamurthy Radhakrishnan
Chairman – Audit Committee

- Statutory Auditor

Refer to our Audit Report dated 30th May, 2016 on the Standalone financial statements of the Company
for P B Vijayaraghavan & Co.,
Chartered Accountants,
Firm Regn No. 004721S



P R Krishnamurthy
Partner
Membership No. 12622

Place: Chennai
Date: 30.05.2016



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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DFL INFRASTRUCTURE FINANCE LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **M/s. DFL INFRASTRUCTURE FINANCE LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities 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. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial





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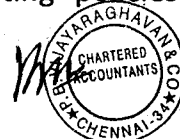
controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the





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reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

The debit balances under receivables and debtors' accounts and the credit balances are as per books of accounts subject to confirmation from the parties.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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 consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

Attention of the share holders is invited to the following:

- a. *The loans taken from some banks became NPA. The CDR Package and the CDR Rework Package were withdrawn by the CDR Empowered Group. In the meanwhile, the Company has approached the bankers for One Time Settlement Scheme for settlement of Loans and some of the banks have approved the same. The OTS Scheme*





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Mobile : +91-098401 88734
Fax : +91-44-2827 6519
e-mail : admin@pbv.co.in

- offered by some of the Banks is pending implementation and settlement. These conditions, indicate the existence of material uncertainty that may cast a significant doubt about the Company's ability to continue as a Going Concern. (Refer Note 1, 6 & 7 of Schedule 18)
- b. The Company's net owned funds is below Rs. 25 lakhs, the limit prescribed by Reserve Bank of India under section 45 – IA of the Reserve Bank of India Act, 1934. This could attract penal provisions under section 45 - MC of the Act
- c. The Reserve Bank of India, has issued certain prohibitory directions (Refer Note 2 & 3 of Schedule 18) under Section 45JA and Section 45L of Reserve Bank of India Act, 1934. Further to the notice by RBI asking the company to show cause why CoR should not cancelled, the RBI has cancelled the CoR of the company and consequently, the company cannot carry on the business of NBFC. These conditions along with those stated in (a) & (b) above & Note 1, 6 & 7 of Schedule 18 indicate the existence of material uncertainty that may cast a significant doubt about the Company's ability to continue as a Going Concern.
- d. The Company has entered into an amendment agreement with Asia Pragati Capfin Pvt. Ltd. (Preference Share Holder) on 27th March 2012 for redemption of preference shares of Rs.10 @ Rs. 8.54 per share. The gain on redemption amounting to Rs.325 lakhs has not been accounted for as the same would be accounted at the time of redemption during the years 2017, 2018 & 2019. (Refer Note No. 5 of Schedule 18)
- e. The shareholders have not approved the re-appointment and increase in remuneration of the erstwhile Managing Director and the amount is included in Loans and Advances. We are unable to express an opinion on the recoverability of the amount. (Refer Note No. 11 of Schedule 18)
- f. The remuneration of Whole Time Director for FY 2013-14 fixed by the Board of Directors was not fully approved by the Central Government, Ministry of Corporate Affairs vide its order dated 06th August 2014. The company has filed a petition for waiver of the excess amounts paid, which is pending (Refer Note 14 of Schedule 18).





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g. In the absence of profits, the Company could not declare dividend on the 4% and 9% Redeemable Preference Shares for the financial year 2015 -16 and hence it is not charged to the Statement of Profit and Loss. (Refer Note No. 18 of Schedule 18).

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the financial statements of TWO (2) subsidiaries, whose financial statements reflect total assets of Rs. 136.11 lakh as at 31st March, 2015, total revenues of Rs.0.46 lakh and net cash flows amounting to Rs. (1.95) lakh for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs.(2.41) lakh for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of Two (2) subsidiaries, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:





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- (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 of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 of the Act.
- (f) With respect to the adequacy of internal financial control systems and the operating effectiveness of such controls, we give our Report in Annexure – I
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:





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- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities – Refer Note 19 & 20 to the consolidated financial statements.
- ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

Place: Chennai
Date: May 30, 2016

P. B. Vijayaraghavan and Co.,
Chartered Accountants
FRN: 004721S




P. R. Kirshanmurthy
Partner
M. No: 012622

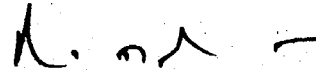
DFL Infrastructure Finance Limited

Declaration for Consolidated Financial Statement with regard Audit Report for the Financial Year ended March 31, 2016

[Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I, Balasubramanian Ramaiah, Wholetime Director of DFL Infrastructure Finance Limited hereby confirm that there are no qualifications in the Consolidated Audit Report of the Company for the year ended 31st March, 2016.

- CEO/Managing Director



Balasubramanian Ramaiah
Wholetime Director

- CFO

The Company does not have CFO

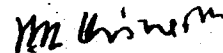


- Audit Committee Chairman

Mr. Dakshinamurthy Radhakrishnan
Chairman – Audit Committee

- Statutory Auditor

Refer to our Audit Report dated 30th May,
2016 on the Consolidated financial
statements of the Company
for **P B Vijayaraghavan & Co.,**
Chartered Accountants,
Firm Regn No. 004721S



P R Krishnamurthy
Partner
Membership No. 12622

Place: Chennai
Date: 30.05.2016