

INDEPENDENT AUDITOR'S REPORT

To the Members of Rohtak Panipat Tollway Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Rohtak Panipat Tollway Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (herein referred to as 'Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 41 of the Ind AS financial statement relating to the claim of INR 17,063.49 million lodged on National Highway Authority of India pending settlement, other operational matters and its consequential impact thereof on intangible assets of the company.

Our opinion is not modified in respect of the above matters.

Material Uncertainty Related to Going Concern

We draw attention to Note 42 in the Ind AS financial statements which, indicate that the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net loss during the current and previous years and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 41, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue operations.

Our opinion is not modified in respect of this matter.



Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- ▶ Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

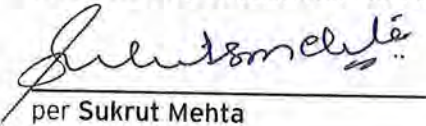
Report on Other Legal and Regulatory Requirements

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 the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;



- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2021; and
- (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, as amended 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 against it on its financial position in its Ind AS financial statements - Refer Note 31 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005



per Sukrut Mehta
Partner
Membership Number: 101974
UDIN: 21101974AAAACT9533
Place of Signature: Ahmedabad
Date: June 26, 2021



Annexure 1 referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date of Rohtak Panipat Tollway Private Limited for the year ended March 31, 2021.

- (i) a) The company has maintained proper records showing full particulars, including quantitative details and situation of property plant & equipment;
 - b) The property plant & equipment have been physically verified by the management during the year. No material discrepancies were noticed on such verification;
 - c) According to the information and explanations given by the management, there are no immovable properties, included in property plant & equipment's of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company;
- (ii) The Company is in the business of development, construction as well as operation & maintenance of road infrastructure projects, which does not require it to hold any inventory. Accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company and hence not commented upon;
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans given in respect of which provisions of section 185 of the Act are applicable and hence not commented upon. Further, based on the information and explanations given to us, being an Infrastructure Company, provision of section 186 of the Act is not applicable to the Company and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of section 73 to 76 of the Act and the Companies (Acceptance of deposits) rules, 2014 (as amended). Accordingly, the provision of clause 3(v) of the order are not applicable and hence not commented upon.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to construction of road and infrastructure projects related services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) a) According to information and explanations given to us and on the basis of examination of the records of the company provided to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases. According to the information and explanation given to us there are no dues payable on account of duty of custom during the year.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state Insurance, income-tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



c) According to the information, explanations and records of the Company, the dues outstanding of income tax, goods and service tax and other material statutory dues on account of any dispute, are as follows:

Name of the Statute	Nature of the dues	Amount (INR in Million)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	13.73	Assessment Year 2013-14	Income Tax Appellate Tribunal

(viii) According to the information and explanations given by the management, the Company has defaulted in repayment of loans to banks and financial institutions amounting to INR 1,110.81 million (including interest) as stated in the below table, which were in arrears as on the balance sheet date.

Particulars	Amount of the default as the Balance sheet date (Rs. in millions)	Period of default since	Remarks
Allahabad Bank	90.67	Dec-2019	It includes Principal amount of INR 44.11 million and Interest amount of INR 46.56 million outstanding as at March 31, 2021.
Bank of Baroda	164.76	Dec-2019	It includes Principal amount of INR 67.50 million and Interest amount of INR 97.26 million outstanding as at March 31, 2021.
Canara Bank	91.26	Dec-2019	It includes Principal amount of INR 37.60 million and Interest amount of INR 53.66 million outstanding as at March 31, 2021.
Dena Bank	106.29	Dec-2019	It includes Principal amount of INR 45.21 million and Interest amount of INR 61.08 million outstanding as at March 31, 2021.
India Infrastructure Finance Company Ltd.	170.90	Mar-2020	It includes Principal amount of INR 62.25 million and Interest amount of INR 108.65 million outstanding as at March 31, 2021.
Indian Bank	94.65	Dec-2019	It includes Principal amount of INR 38.32 million and Interest amount of INR 56.33 million outstanding as at March 31, 2021.
Punjab National Bank	285.43	Mar-2020	It includes Principal amount of INR 121.66 million and Interest amount of INR 163.77 million outstanding as at March 31, 2021.
Vijaya Bank	92.19	Mar-2020	It includes Principal amount of INR 31.82 million and Interest amount of INR 60.37 million outstanding as at March 31, 2021.
ICICI Bank	14.66	Mar-2021	It includes Interest amount of INR 14.66 million outstanding as at March 31, 2021.

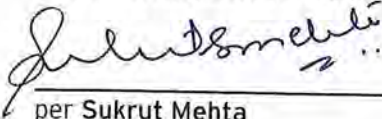
The Company did not have any dues payable to the debenture holders and government during the year.

- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans during the year and hence, reporting under clause 3(ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties being of specialized nature are in compliance with section 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting requirement under clause 3(xiv) are not applicable to the company and hence not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (xvi) According to the information and explanations given to us, the company is not required to be registered under section 45IA of Reserve Bank of India Act, 1934 and accordingly, reporting requirement under clause 3(xvi) are not applicable to the company and hence not commented upon.

For S.R. Batliboi & Co LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005


per Sukrut Mehta

Partner

Membership Number: 101974

UDIN: 21101974AAAACT9533

Place of Signature: Ahmedabad

Date: June 26, 2021



Annexure 2 of the Independent Auditor's Report of even date on the Ind AS Financial Statements of Rohtak Panipat Tollway Private 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 Rohtak Panipat Tollway Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS 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 the 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements 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 with reference to these Ind AS financial statements 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

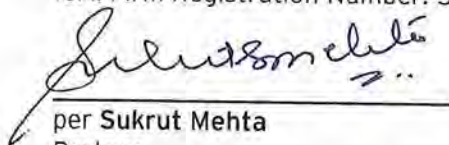
Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Co LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005


per **Sukrut Mehta**

Partner
Membership Number: 101974
UDIN: 21101974AAAACT9533
Place of Signature: Ahmedabad
Date: June 26, 2021



Rohtak Panipat Tollway Private Limited
Balance Sheet as at March 31, 2021

Particulars	Note No.	As at	As at
		March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	5	1.05	1.33
(b) Investment property	6	1.03	1.03
(c) Intangible assets	7	16,350.17	16,618.56
(d) Financial assets			
(i) Other financial assets	9	0.07	0.07
(e) Other assets	10	4.02	4.74
Total Non-current assets - (A)		16,356.34	16,625.73
2 Current Assets			
(a) Financial Assets			
(i) Cash and cash equivalents	8	2.36	1.50
(ii) Bank balances other than (i) above	8	90.21	90.21
(iii) Other financial assets	9	893.82	889.53
(b) Other assets	10	11.20	23.83
Total Current assets - (B)		997.60	1,005.08
Total Assets (A+B)		17,353.94	17,630.81
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11	21.86	21.86
Other equity	12	(6,263.07)	(4,200.47)
Total equity - (A)		(6,241.21)	(4,178.61)
LIABILITIES			
1 Non-current Liabilities			
(a) Financial liabilities			
(i) Borrowings	13	7,628.92	8,472.79
(ii) Other financial liabilities	17	10,895.63	10,248.69
(b) Provisions	15	931.24	828.85
Total Non-current liabilities - (B)		19,455.79	19,550.33
2 Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	14	925.33	367.67
(ii) Trade payables	16		
-Total outstanding dues of micro and small enterprises		-	-
-Total outstanding dues of creditors other than micro and small enterprises		86.37	76.91
(iii) Other financial liabilities	17	3,102.10	1,811.92
(b) Other liabilities	18	24.08	1.93
(c) Provisions	15	1.48	0.66
Total Current liabilities - (C)		4,139.36	2,259.09
Total Equity and Liabilities (A+B+C)		17,353.94	17,630.81

Summary of significant accounting policies

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The accompanying notes are an integral part of these financial statements.

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.:301003E/E300005

For and on behalf of the Board of Directors of
Rohtak Panipat Tollway Private Limited

per Sukrut Mehta
Partner
Membership No.: 101974

Rajkumar Dhoot
Director
DIN No: 08745330

Niketan Patel
Director
DIN No: 08752536

Date: June 26, 2021
Place: Ahmedabad

Date: June 26, 2021
Place: Ahmedabad



Rohtak Panipat Tollway Private Limited
Statement of profit and loss for the year ended March 31, 2021

Particulars	Note No.	Year ended March,31 2021	Year ended March,31 2020
		INR in Million	INR in Million
INCOME			
I Revenue from operations	19	585.82	867.71
II Other Income	20	11.81	713.14
III Total Income (I+II)		597.63	1,580.85
EXPENSES			
a. Operating expenses	21	53.72	71.63
b. Employee benefits expenses	22	33.56	34.25
c. Finance cost	23	2,275.72	2,027.51
d. Depreciation and amortization	24	268.77	336.92
e. Other expenses	25	28.58	109.06
IV Total expenses		2,660.35	2,579.37
V Loss before tax (III-IV)		(2,062.73)	(998.52)
VI Tax expenses	27		
Current tax		-	-
Deferred tax		-	-
VII Total tax expenses		-	-
VIII Loss for the year (V-VII)		(2,062.73)	(998.52)
IX Other Comprehensive Income			
Item that are not to be reclassified to profit or loss in subsequent periods:			
Remeasurements gain on defined benefit plans, net of tax	28	0.12	0.01
IX Other Comprehensive Income for the year, net of tax		0.12	0.01
X Total Comprehensive Income for the year, net of tax (VIII+IX)		(2,062.73)	(998.51)

Earning per share [Face value of share INR 10/-]

Basic and Diluted (in INR)

27 (943.42) (456.69)

Summary of significant accounting policies

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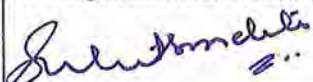
The accompanying notes are an integral part of these financial statements.

As per our report of even date

For S. R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration No.:301003E/E300005



per Sukrut Mehta

Partner

Membership No.: 101974

Date: June 26, 2021

Place: Ahmedabad



For and on behalf of the Board of Directors of

Rohtak Panipat Tollway Private Limited


Rajkumar Dhoot
Director
DIN No: 08745330


Niketan Patel
Director
DIN No: 08752536

Date: June 26, 2021

Place: Ahmedabad

Rohtak Panipat Tollway Private Limited
Statement of Changes in Equity for the year ended March 31, 2021

A Equity Share Capital				
Equity shares of INR 10 each issued, subscribed and fully paid (note 11)	Number of Shares	(INR In Million)		
As at April 1, 2019	2,186,445	21.86		
Add/(Less): Changes during the year	-	-		
As at March 31, 2020	2,186,445	21.86		
Add/(Less): Changes during the year	-	-		
As at March 31, 2021	2,186,445	21.86		

B Other Equity				
Particulars	Equity Component of Compound Financial Instrument (note 12)	Reserves and Surplus		Total
		Securities Premium (note 12)	Retained Earning (note 12)	
As at April 1, 2019	2,209.06	195.88	(8,086.57)	(5,681.63)
Loss for the year	-	-	(998.52)	(998.52)
Other Comprehensive Income for the year	-	-	0.01	0.01
Adjusted during the year (refer note 41)	2,479.67	-	-	2,479.67
As at March 31, 2020	4,688.73	195.88	(9,085.08)	(4,200.47)
Loss for the year	-	-	(2,062.73)	(2,062.73)
Other Comprehensive Income for the year	-	-	0.12	0.12
As at March 31, 2021	4,688.73	195.88	(11,147.68)	(6,263.07)

The accompanying notes are an integral part of these financial statements.
As per our report of even date

<p>For S. R. Batliboi & Co. LLP Chartered Accountants Firm Registration No.:301003E/E300005</p> <p><i>Sukrut Mehta</i> per Sukrut Mehta Partner Membership No.: 101974</p> <p>Date: June 26, 2021 Place: Ahmedabad</p>	<p>For and on behalf of the Board of Directors of Rohtak Panipat Tollway Private Limited</p> <p><i>Rajkumar Dhoot</i> Rajkumar Dhoot Director DIN No: 08745330</p> <p><i>Niketan Patel</i> Niketan Patel Director DIN No: 08752536</p> <p>Date: June 26, 2021 Place: Ahmedabad</p>
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Rohtak Panipat Tollway Private Limited
Cash Flow Statement for the year ended March 31, 2021

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
	INR In Million	INR In Million
(A) Cash flows from operating activities		
Net (Loss) before tax	(2,062.73)	(998.52)
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and amortisation	268.77	336.92
Interest and other borrowing cost	2,275.72	2,027.51
Interest Income	(4.73)	(0.29)
Receivable written off	-	87.39
Interest payable, written back	-	(541.59)
Excess provision written back	(6.96)	(148.56)
Operating profit before working capital changes	470.07	762.86
<i>Working capital changes:</i>		
Decrease in financial assets	0.01	3.34
Decrease / (Increase) in other assets	12.63	(5.91)
Increase in financial liabilities	3.13	7.12
Increase in trade payables	9.45	32.15
Increase / (decrease) in current liabilities	22.15	(25.12)
Increase in provisions	8.19	0.96
Cash generated from operating activities	525.64	775.40
Direct taxes paid (net of income tax refund)	0.64	(0.03)
Net cash flow generated from operating activities	526.27	775.37
(B) Cash flows from investment activities		
Interest received	0.44	0.29
Net cash flow generated from investing activities	0.44	0.29
(C) Cash flows from financing activities		
Repayment of non-current borrowings	(387.30)	(275.51)
Proceeds from current borrowings	557.66	560.62
Interest and other borrowing cost paid	(696.21)	(979.69)
Net cash flow (used) in financing activities	(525.85)	(694.58)
Net (decrease) in cash and cash equivalents	0.86	81.09
Cash and cash equivalents at beginning of the year	1.50	(79.59)
Cash and cash equivalents at end of the year	2.36	1.50



Rohtak Panipat Tollway Private Limited
Cash Flow Statement for the year ended March 31, 2021

Notes:

(i) Components of cash and cash equivalents (refer note 8)

	As at March 31, 2021 (INR In Million)	As at March 31, 2020 (INR In Million)
Cash on hand	0.91	0.95
Balances with banks in current accounts	1.45	0.55
Cash and cash equivalents	2.36	1.50

(ii) The cash flow statement has been prepared under indirect method as per Indian Accounting Standard -7 "Cash Flow Statement".

(iii) **Changes in liabilities arising from financing activities:**

(INR In Million)

Particulars	01-Apr-20	Net Cash flow	Change in fair value	Others*	31-Mar-21
Non-current borrowings (including current maturities)	9,012.35	(387.30)	5.03	-	8,630.09
Current borrowings	367.67	557.66	-	-	925.33
Interest accrued	917.30	(696.21)	-	1,495.64	1,716.73
Total	10,297.32	(525.85)	5.03	1,495.64	11,272.15

Particulars	April 1, 2018	Net Cash flow	Change in fair value	Others*	31-Mar-20
Non-current borrowings (including current maturities)	9,282.83	(275.51)	5.03	-	9,012.35
Current borrowings	2,286.72	560.62	-	(2,479.67)	367.67
Interest accrued	1,072.79	(979.69)	-	824.20	917.30
Total	12,642.34	(694.58)	5.03	(1,655.47)	10,297.32

* Others represent interest accrued during the year.

(iv) Figures in brackets represent outflows.

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

per Sukrut Mehta
Partner
Membership No.: 101974

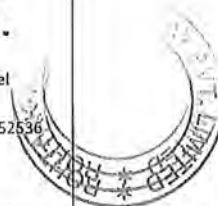
Date: June 26, 2021
Place: Ahmedabad

For and on behalf of the Board of Directors of
Rohtak Panipat Tollway Private Limited

Rajkumar Dhoot
Director
DIN No: 08745330

Date: June 26, 2021
Place: Ahmedabad

Niketan Patel
Director
DIN No: 08752536



Rohtak Panipat Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2021

1. Company information:

Rohtak Panipat Tollway Private Limited ("the Company") is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. It's a whole owned subsidiary of Sadbhav Infrastructure Project Limited which is listed on two recognized stock exchanges in India. The registered office of the company is located at "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad – 380 006.

The Company was incorporated as a Special Purpose Vehicle (SPV) in January, 2010, for the purpose of four laning of Rohtak Panipat section of NH-10 from KM 63.30 to KM 83.50 of NH-1 in the state of Haryana on Design, Build, Finance, Operate and Transfer ("DBFOT") basis. The Company has entered into Concession Agreement with National Highways Authority of India (NHAI) with a Concession Period of 25 years w.e.f. March 09, 2010. The Company had received provisional completion certificate dated 6 January'2014 from NHAI. The toll collection had commenced from that date.

The financial statements were authorized for issue in accordance with a resolution of the directors on June 26, 2021.

2. Basis of preparation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act 2013, (Ind AS compliant Schedule III), as applicable to financial statements.

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for the followings assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The financial statements are presented in INR and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated.

3. Summary of significant accounting policies

The following are the significant accounting policies applied by the company in preparing its financial statements:

3.1 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Expected to be realized within twelve months after the reporting period;
- Held primarily for the purpose of trading; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;



Rohtak Panipat Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2021

- It is due to be settled within twelve months after the reporting period;
- Held primarily for the purpose of trading; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

3.2 Service Concession Arrangement

Toll collection rights

The Company builds infrastructure assets under public-to-private Concession Arrangements which it operates and maintains for periods specified in the Concession Arrangements.

Under the Concession Agreements, where the Company has received the right to charge users of the public service, such rights are recognized and classified as "Intangible Assets" in accordance with Appendix D to Ind AS 115. Such right is not an unconditional right to receive consideration because the amounts are contingent to the extent that the public uses the service and thus are recognized and classified as intangible assets. Such an intangible asset is recognized by the Company at cost (which is the fair value of the consideration received or receivable for the construction services delivered) and is capitalized when the project is complete in all respects and when the company receives the completion certificate from the authority as specified in the Concession Agreement. The economics of the project is for the entire length of the road / infrastructure as per the bidding submitted.

Premium Capitalization in Toll collection rights

The Company has contractual obligation to pay premium (concession fees) to National Highway Authority of India ("NHAI"), Grantor, over the concession period. Such obligation has been recognized upfront on an discounted basis when the project gets completed as per the Concession Agreements as 'Intangible assets – Toll Collection Right' and corresponding obligation for committed premium is recognized as liabilities.

Amortization of Toll collection rights

The intangible assets which are recognized in the form of Toll right to charge users of the infrastructure asset are amortized by taking proportionate of actual revenue received for the year over Total Projected Revenue from project to Cost of Intangible assets i.e. proportionate of actual revenue earned for the year over Total Projected Revenue from the Intangible assets expected to be earned over the balance concession period as estimated by the management.



Rohtak Panipat Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2021

As required, total Projected Revenue reviewed by the management at the end of the each financial year and accordingly, the total projected revenue is adjusted to reflect any changes in the estimates which lead to the actual collection at the end of the concession period.

3.3 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost comprise the purchase price, borrowing costs if the recognition criteria are met and directly attributable cost of bringing the assets to its working condition for its intended use.

All other expenses on existing property plant and equipment, including day-to-day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is de-recognized.

Depreciation

Depreciation on property, plant and equipment is provided on the written down value method basis over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The estimated useful lives, residual values and depreciation method of property plant and equipment are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

3.4 Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the



Rohtak Panipat Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2021

amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

Amortization

Software is amortized over management estimate of its useful life of 3-6 years.

The residual value, useful live and method of depreciation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.5 Impairment – Non-financial assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. The recoverable amount is determined for an individual asset which is based on the discounting of estimated future cash flows to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in the statement of profit and loss.

The Company bases its impairment calculation on detailed budgets and forecasts calculation (DCF method). These budgets and forecasts calculations generally covering a period of the concession agreements using long terms growth rates applied to future cash flows.

Intangible assets with indefinite useful lives are tested for impairment annually as at March 31 at the CGU level as appropriate, and when circumstances indicate that the carrying value may be impaired.

3.6 Revenue from contract with customers



Rohtak Panipat Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2021

Revenue from contract with customer is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The specific recognition criteria described below must also be met before revenue is recognized. The company has concluded that it is principal in its revenue arrangements because it typically controls services before transferring them to the customer.

i. Toll operation services

Revenue from Toll operation services is recognized over a period as each toll road-user simultaneously receives and consumes the benefits provided by the Company. However, given the short time period over which the company provides road operating services to each road user (i.e. the duration of the time it takes the road user to travel the length of the toll road), the Company recognizes toll revenue when it collects the tolls as per rates notified by National Highway Authority of India.

ii. Construction services

Revenue from construction services is recognized over a period as the customer simultaneously receives and consumes the benefits provided by the Company and measure revenue based on input method i.e. revenue recognized on the basis of cost incurred to satisfaction of a performance obligation relative to the total expected cost to the satisfaction of that performance obligation. If the outcome of a performance obligation satisfied over time cannot be reasonably measured, revenue is calculated using the zero-profit method in the amount of the contract costs incurred and probably recoverable.

Contract Balances

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the company performs by transferring goods or services to a customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Contract Liabilities

A contract liability is recognized if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognized as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

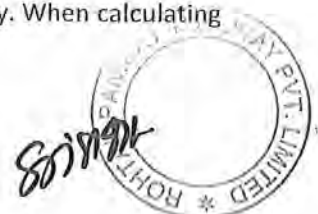
3.7 Other Income

Gain or loss on sale of Mutual Fund

Gain or loss on sale of mutual fund is recorded on transfer of title from the Company, and is determined as the difference between the sale price and carrying value of mutual fund and other incidental expenses.

Interest

For all debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating



Rohtak Panipat Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2021

the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend

Income from dividend on investment is accrued in the year in which it is declared, whereby right to receive is established.

3.8 Investment Property

Investment Property is measured initially at cost including related transaction costs. Such cost comprises the purchase price, borrowing cost if capitalization criteria are met. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. All day-to-day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

An Investment property is derecognized either when it has been disposed of or when it has been permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property the Company considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use.

3.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the year they occur. Borrowing cost consist of interest and other costs that company incurs in connection with the borrowing of funds as defined in Indian Accounting Standard 23 – Borrowing Cost.

3.10 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Short-term leases and leases of low-value assets



Rohtak Panipat Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2021

The Company applies the short-term lease recognition exemption to its short-term leases of building (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office building that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

3.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

i. Initial recognition and measurement of financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

ii. Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in below categories:

- Financial assets at amortized cost
- Financial assets at fair value through profit or loss (FVTPL)

- **Financial assets at amortized cost :**

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

- **Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the above conditions mentioned in "Financial assets at amortized cost" are met. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

- **Financial assets at fair value through profit or loss:**

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognized in the statement of profit and loss.

iii. De-recognition of financial assets

A financial asset is de-recognized when the contractual rights to the cash flows from the financial asset expire or the Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



Rohtak Panipat Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2021

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

iv. Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Other receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

b) Financial Liabilities

i. Initial recognition and measurement of financial liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

All financial liabilities are recognized initially at fair value in case of loan and borrowings and payable, fair value is reduced by directly attributable transaction costs.

ii. Subsequent measurement of financial liabilities

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.



Rohtak Panipat Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2021

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses on changes in fair value of such liability are recognized in the statement of profit or loss.

• **Financial liabilities at amortized cost (Loans and Borrowings)**

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

• **Equity component of Compound financial instruments**

The Company has borrowed subordinate debt in nature of Sponsors contribution in the project as per requirement of loan agreement, which the company has classified in the other equity as the same is redeemable at the Company's option and without coupon as per terms of contract.

iii. **Derecognition of financial liabilities**

A financial liability (or a part of a financial liability) is derecognized from its balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another liability from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount is recognized in the statement of profit or loss

c) **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if the Company currently has enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.12 Fair Value Measurement

The company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability



Rohtak Panipat Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2021

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market price in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

3.13 Employee Benefits

a) Short Term Employee Benefits



Rohtak Panipat Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2021

All employee benefits payable are expected to be settled wholly within 12 months after the end of the reporting period are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensation etc. and the same are recognized as an expense in the statement of profit and loss in the period in which the employee renders the related services.

b) Post-Employment Benefits

(i) Defined contribution plan

The Company's approved provident fund scheme is defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognized and charged to statement of profit & loss account during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

c) Other Employment benefits

The employee's compensated absences, which is expected to be utilized or encashed within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as result of the unused entitlement that has accumulated at the reporting date. As per Company's policy, no leave are expected to be carried forward beyond 12 month from the reporting date.

3.14 Income tax

Income tax expense comprises current tax and deferred tax.

Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.



Rohtak Panipat Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2021

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current income tax are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the balance sheet approach. Deferred tax is recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences except when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against which those temporary differences, unused tax losses and carry forward of unused tax credit can be utilized except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

As per provision of Income tax Act 1961, the Company is eligible for a tax holiday under section 80IA for a block of 10 consecutive assessment year out of 20 year beginning of toll operation. The current year is eight year of company's operation and it propose to start claiming tax holiday in the subsequent year only. No deferred tax (assets or liabilities) is recognized in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing difference which is reverse after the tax holiday period is recognised in the year in which the timing difference originate. However, the company restricts recognition of deferred tax assets to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. For recognition of deferred tax, the timing difference which originate first are considered to reverse first.

The carrying amount of deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rules and tax laws that have been enacted or substantively enacted by the end of the reporting period.



Rohtak Panipat Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2021

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.15 Provisions

General

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement, if any.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provision are reviewed at each balance sheet and adjusted to reflect the current best estimates.

Contractual obligation to restore the infrastructure to a specified level of serviceability

The Company has contractual obligations to maintain the road to a specified level of serviceability or restore the road to a specified condition before it is handed over to the grantor of the Concession Agreements. Such obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. The timing and amount of such cost are estimated and determined by estimated cash flows, expected to be incurred in the year of overlay. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to such obligation. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of such obligation are reviewed annually and adjusted as appropriate.

3.16 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured



Rohtak Panipat Tollway Private Limited
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reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent liabilities are reviewed at each balance sheet date

3.17 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and is subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered as integral part of the Company's cash management.

3.18 Earnings per share

Basic earnings per share is calculated by dividing the profit / loss for the year attributable to equity holders of the company by the weighted average number of shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit / loss attributable to equity holders of the company by the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3.19 Segment reporting

Based on management approach as defined in Indian Accounting Standard 108 – Operating Segment, Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker for evaluation of Company's performance.

4. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make estimates, judgments and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosure, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes

Deferred tax assets are recognized for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Impairment of non-financial assets



Rohtak Panipat Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2021

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget generally covering a period of the concession agreements using long terms growth rates and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Intangible Assets

The intangible assets which are recognized in the form of toll right to charge users of the infrastructure asset are amortized by taking proportionate of actual revenue received for the year over Total Projected Revenue from project to Cost of Intangible assets. The estimation of total projection revenue requires significant assumption about expected growth rate and traffic projection for future. All assumptions are reviewed at each reporting date

Provision for periodical Major Maintenance

Provision for periodical Major Maintenance obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. The timing and amount of such cost are estimated and determined by estimated cash flows, expected to be incurred in the year of overlay. All assumptions are reviewed at each reporting date.

Revenue from contract with customer

The Company use the input method for recognize construction revenue. Use of the input method require the company to estimate the efforts or costs expended to the date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion of performance obligation as there is a direct relationship between input and productivity. Provision for estimated losses, if any, on uncompleted performance obligation are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.



Rohtak Panipat Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2021.

5 Property, Plant and Equipment						(INR In Million)
Particulars	Machinery & Equipments	Computers	Furniture & Fixtures	Vehicles	Office Equipments	Total Tangible Assets
Cost						
As at April 01, 2019	0.99	0.33	0.07	1.36	0.63	3.38
Addition	-	-	-	-	-	-
Disposal / adjustment	-	-	-	-	-	-
As at March 31, 2020	0.99	0.33	0.07	1.36	0.63	3.38
Addition	-	0.11	-	-	-	0.11
Disposal / adjustment	-	-	-	-	-	-
As at March 31, 2021	0.99	0.44	0.07	1.36	0.63	3.49
Accumulated Depreciation						
As at April 01, 2019	0.28	0.32	0.04	0.61	0.37	1.60
Charge for the year	0.09	0.01	0.00	0.21	0.12	0.43
Disposal / adjustment	-	-	-	-	-	-
As at March 31, 2020	0.38	0.33	0.04	0.83	0.49	2.05
Charge for the year	0.09	0.04	0.00	0.17	0.07	0.38
Disposal / adjustment	-	-	-	-	-	-
As at March 31, 2021	0.47	0.37	0.04	1.00	0.56	2.44
Net Block						
As at March 31, 2020	0.61	-	0.04	0.53	0.14	1.33
As at March 31, 2021	0.51	0.07	0.03	0.36	0.07	1.05

Notes:

- The Company has elected to continue with the carrying value for all of its property, plant and equipments as recognised in its previous GAAP financial (Indian accounting principle generally accepted in India as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014), as deemed cost at the transition date i.e. April 1, 2015 as per option permitted under Ind AS 101 for the first time adoption.
- Property Plant and Equipments has been pledged against non-current borrowings in order to fulfill the collateral requirement for the Lenders. (refer note 13)

6 Investment Property

Particulars		(INR In Million)	
		Land	Total
Cost			
As at April 01, 2019			
Addition		1.03	1.03
Deductions		-	-
As at March 31, 2020		1.03	1.03
Addition		-	-
Deductions		-	-
As at March 31, 2021		1.03	1.03
Accumulated Depreciation			
As at April 01, 2019			
Charge for the year		-	-
Disposal / Adjustment		-	-
As at March 31, 2020		-	-
Charge for the year		-	-
Disposal / Adjustment		-	-
As at March 31, 2021		-	-
Net Block			
As at March 31, 2020		1.03	1.03
As at March 31, 2021		1.03	1.03

Notes:

- There are no income arising from above investment properties. Further, the company has not incurred any expenditure for above properties.
- The above consist of 2 land which are situated at Kadi District and Haryana District has been mortgaged against non-current borrowings to fulfill the collateral requirement of lenders. (refer note 13)
- The Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- The fair value disclosure for investment property is not presented as the property specifically acquired for offering as security for borrowings and based on the information, there are no material development in the area where land is situated and accordingly, they believe that there is not material difference in fair value and carrying value of property.



Rohtak Panipat Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2021

7 Intangible Assets			
			(INR In Million)
Particulars	Computer Software	Toll Collection Rights	Total
Cost			
As at April 01, 2019	0.27	18,508.00	18,508.27
Addition	-	-	-
Disposal	-	-	-
As at March 31, 2020	0.27	18,508.00	18,508.27
Addition	-	-	-
Disposal	-	-	-
As at March 31, 2021	0.27	18,508.00	18,508.27
Accumulated Amortization			
As at April 01, 2019	0.27	1,552.95	1,553.22
Charge for the year	-	336.49	336.49
Disposal / adjustment	-	-	-
As at March 31, 2020	0.27	1,889.44	1,889.71
Charge for the year	-	268.39	268.39
Disposal / adjustment	-	-	-
As at March 31, 2021	0.27	2,157.83	2,158.10
Net Block			
As at March 31, 2020	-	16,618.56	16,618.56
As at March 31, 2021	-	16,350.17	16,350.17

Notes:

- 1 Toll collection rights of four laning of Rohtak -Panipat section from Km 63.30 of NH-10 to Km 83.50 on NH-1 in the state of Haryana on Design, Built, Finance, Operate and Transfer (DBFOT) basis is capitalised when the project is complete in all respects and when the Company receives the completion certificate from the authority as specified in the Concession Agreement and not on completion of component basis as the intended purpose of the project is to have the complete length of the road available for use. Refer note 40 for detail additional disclosure pursuant to Appendix - E to Ind AS 115 - " Service Concession Arrangements" ('SCA').
- 2 Toll collection rights also include present value of premium payable under the concession agreement of INR 6,248.53 million at the time of receipts completion certificate from the authority.
- 3 Toll collection right has been pledged against non-current borrowings in order to fulfil the collateral requirement of the Lenders.(refer note 13)
- 4 The Remaining amortisation period for the Toll collection rights at the end of the reporting period is 15.06 years (March 31, 2020: 16.06 years).



Rohtak-Panipat Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2021

8 Cash and bank balances	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Cash and cash equivalents		
Cash on Hand	0.91	0.95
Balances with banks in current accounts (refer note 1 below)	1.45	0.55
Total (A)	2.36	1.50
Bank balance other than cash and cash equivalents		
Deposits with original maturity of more than 3 months (earmarked) (refer note 2 below)	90.21	90.21
Total (B)	90.21	90.21
Total (C = A + B)	92.58	91.71

Note:

- Balance with bank includes balance of INR 0.12 million (March 31, 2020: INR 0.11 million) lying in the escrow accounts which is usable as per terms of borrowings with the lenders.
- Deposits lying with bank in designated account for specific purpose as per terms of common loan agreement i.e. Debt Service Reserve Account. Hence, considered as restricted cash and bank balance.

9 Other financial assets (unsecured, considered good)

Non current

Security deposits

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Security deposits	0.07	0.07
Total (A)	0.07	0.07

Current

Toll receivable

Receivable from NHA - Arbitration claim (refer note 1 below)

Interest receivable

Toll receivable	-	0.01
Receivable from NHA - Arbitration claim (refer note 1 below)	889.53	889.53
Interest receivable	4.29	-
Total (B)	893.82	889.53
Total (C = A + B)	893.89	889.60

Note:

- Pursuant to the favourable arbitration award, Authority has filed further appeal against the arbitration award in the Honourable High Court of Delhi (the court). The Court had ordered the authority, vide order date July 11, 2018 to deposit 50% of claim amount which authority had deposited in the court. The matter is current pending with Honourable High Court of Delhi and the company is in process of claiming balance 25% amount from authority as per Niti Aayog circular no. n-14070/14/2016-PPPAU. Pursuant to the above, the management is confident to realise the entire claim amount and does not expect any adjustment in these regards. The Company also has payable of INR 588.01 million against this amount, which has been disclosed under " Other current financial liabilities".

10 Other assets (Unsecured, considered good)

Non current

Tax deducted at sources receivable

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Tax deducted at sources receivable	4.02	4.74
Total (A)	4.02	4.74

Current

Prepaid expenses

Tax credit receivable

Staff advances

Advances to suppliers

Contract assets (refer note 34)

Prepaid expenses	0.02	11.10
Tax credit receivable	1.81	2.65
Staff advances	0.01	0.01
Advances to suppliers	0.01	0.72
Contract assets (refer note 34)	9.36	9.36
Total (B)	11.20	23.83
Total (C = A + B)	15.22	28.58



Rohtak-Panipat Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2021

11 Equity share capital	March 31, 2021		March 31, 2020	
	No. of shares	(INR In Million)	No. of shares	(INR In Million)
Authorized share capital				
Equity Shares of INR 10 each	5,000,000	50.00	5,000,000	50.00
	5,000,000	50.00	5,000,000	50.00
Issued, subscribed and fully paid up				
Equity shares of INR 10 each	2,186,445	21.86	2,186,445	21.86
	2,186,445	21.86	2,186,445	21.86

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	March 31, 2021		March 31, 2020	
	No. of shares	(INR In Million)	No. of shares	(INR In Million)
At the beginning of the year	2,186,445	21.86	2,186,445	21.86
Add: Issue during the year	-	-	-	-
Outstanding at the end of the year	2,186,445	21.86	2,186,445	21.86

(b) Terms/Rights attached to the equity shares:

The Company has only one class of shares referred to as equity shares having a par value of INR 10 each. Each shareholder is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the residual assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

(c) Share held by holding Company:

Out of equity shares issued by the company, shares held by its holding company:

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Sadbhav Infrastructure Project Limited - Holding Company (including nominees) 2,186,445 (March 31, 2020: 2,186,445) equity shares	21.86	21.86

(d) Number of shares held by each shareholder holding more than 5% Shares in the company

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity shares of Rs 10 each fully paid				
Sadbhav Infrastructure Project Limited and its nominees	2,186,445	100.00%	2,186,445	100.00%

As per the records of the company, including its registers of shareholders/member and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

12 Other equity

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Equity component of compound financial instrument - sub-ordinate debt (refer note i below & 30)		
Balance at the beginning of the year	4,688.73	2,209.06
Add: Adjust during the year (refer note 41)	-	2,479.67
Balance at the end of the year	4,688.73	4,688.73
Securities premium (refer note ii below)		
Balance at the beginning of the year	195.88	195.88
Balance at the end of the year	195.88	195.88
(Deficit) in statement of profit and loss		
Balance at the beginning of the year	(9,085.08)	(8,086.57)
Add: loss for the year	(2,062.73)	(998.52)
Add / (Less): Other comprehensive income for the year	0.12	0.01
Balance at the end of the year	(11,147.68)	(9,085.08)
Total (A)	(6,263.07)	(4,200.47)
Total (B)	(6,263.07)	(4,200.47)
Total (D=A+B+C)	(6,263.07)	(4,200.47)

Note



- i The Project of the Company has been funded through sub-ordinate debt of INR 4,688.73 million from the Sponsors in accordance with Sponsor Support and Equity Contribution Agreement / Sponsor Undertaking. Such sub-ordinate debt is considered as sponsor's contribution to ensure promoters commitment for the project. Sub-ordinate debt is interest free and shall be repayable at the end of the concession period or earlier at the option of the company in accordance with terms of contract.
- ii Security premium is used to record the premium on issue of issue of shares. The reserve can be utilised only for limited purpose such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.



Rohtak-Panipat Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2021

13 Non-current borrowings

Secured*

Term loan from banks

Indian rupee

Loan from financial institution

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
	7,591.59	7,973.85
	1,038.50	1,038.50
Total (A)	8,630.09	9,012.35

Less: Current maturities of non-current borrowing* (refer note 17)

Secured

Term loan from banks

Indian rupee

Loan from financial institution

	858.06	476.64
	143.11	62.92
Total (B)	1,001.17	539.56
Total Non-current borrowings (C = A - B)	7,628.92	8,472.79

* Includes the effect of transaction cost paid to Lenders on upfront basis.

(i) Nature of security:

The details of Security in respect of Term loans are as under:

- 1 first mortgage and charge on all the Company's immovable (investment) properties, both present and future, save and except the Project Assets;
- 2 first charge on all the Company's tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future, save and except the Project Assets;
- 3 first charge over all accounts of the Company including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with Common Rupee Loan Agreement and the Supplementary Escrow Agreement, or any other Project Documents including but not limited to Debt service reserve ('DSR') and Major maintenance reserve ('MMR') and all funds from time to time deposited therein, including those arising out of realisation of Receivable and all Permitted Investments or other securities representing all amounts credited thereto.
- 4 first charge on all intangibles assets of the Company including but not limited to goodwill, rights, undertakings and uncalled capital present and future excluding the Project Assets.
- 5 first charge on assignment by way of security in:
 - all the right, title, interest, benefits, claims and demands whatsoever of the company in the Project Documents;
 - the right, title and interest of the Company in, to and under all the clearances;
 - all the right, title, interest, benefits, claims and demands whatsoever of the company in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents;
 - all the right, title, interest, benefits, claims and demands whatsoever of the company under all insurance contracts.
- 6 pledge of equity shares held by Sadbhav Infrastructure Project Ltd. aggregating to 51% of the paid up and voting equity share capital of the company for a period upto repayment of entire borrowings.
- 7 the aforesaid mortgages, charges, assignments and guarantees and the pledge of equity shares as stipulated in paragraph 6 above shall in all respects rank pari-passu inter-se amongst the Lenders, in accordance with the common loan agreement, without any preference or priority to one over the other or others;



Rohtak-Panipat Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2021

(ii) Terms of repayment of loans:

(a) Indian rupee term loans from banks and financial institution:

The principal amounts of the loan to each of the lenders shall be repayable in 43 structured quarterly instalments on the last day of each quarter, commencing from the expiry of moratorium period i.e. August 31, 2016. The last date of instalment is March 31, 2027. Term loans carry interest at bank base rate plus 200 basis point as spread i.e. 11.60 to 12.95 per cent per annum as on March 31, 2021.

(iii) Loan covenants

Non current borrowings contain loan covenants relating to debt-equity ratio and debt service coverage ratio. The Company has not been able to meet one of the covenants viz debt service coverage ratio as at the end of the year. However, considering the confirmed repayment schedule received from the banks and financial institutions as at the reporting date, in the opinion of the management, this does not have any financial or other implication as regards these financial statement.

(iv) Loan defaults

The Company has defaulted in the payment of dues to the financial institutions and banks, which is as stated below:

	(INR in millions)	
	Principal default as at March 31, 2021	Interest default as at March 31, 2021
Allahabad Bank	44.11	46.56
Bank of Baroda	67.50	97.26
Canara Bank	37.60	53.66
Dena Bank	45.21	61.08
India Infrastructure Finance Company Limited	62.25	108.65
Indian Bank	38.32	56.33
Punjab National Bank	121.66	163.77
Vijaya Bank	31.82	60.37
ICICI Bank	-	14.66
Total	448.46	662.35

14 Current borrowings

Loans repayable on demand

Related parties (unsecured)* (refer note 30)

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Related parties (unsecured)* (refer note 30)	925.33	367.67
Total	925.33	367.67

*Loan is repayable on demand / call notice from the lender and it carry interest of 11.15% per annum

15 Provisions

Non current

Provision for employee benefits-gratuity (refer note 28)

Provision for periodical major maintenance (refer note 29)

Current

Provision for employee benefits-leave encashment

Provision for employee benefits-gratuity (refer note 28)

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Provision for employee benefits-gratuity (refer note 28)	1.81	1.52
Provision for periodical major maintenance (refer note 29)	929.43	827.33
Total non current (A)	931.24	828.85
Provision for employee benefits-leave encashment	1.32	0.55
Provision for employee benefits-gratuity (refer note 28)	0.16	0.11
Total current (B)	1.48	0.66
Total (C = A + B)	932.71	829.51



Rohtak-Panipat Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2021

16 Trade payables

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Total outstanding dues of micro and small enterprises*	-	-
Total outstanding dues of creditors other than micro and small enterprises (refer note 30)	86.37	76.91
Total	86.37	76.91

*As per information available with the Company, there are no Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprise Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no related additional disclosure have been made in these financial statements. This has been relied upon by the auditors.

17 Other financial liabilities

Non current

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Premium obligation payable to NHAI	6,674.71	6,586.15
Deferred premium obligation (refer note 1 below)	3,263.98	2,928.88
Interest accrued on deferred premium obligation (refer note 1 below)	956.92	733.64
Total (A)	10,895.63	10,248.69

Current

Current maturities of non-current borrowings (refer note 13)	1,001.17	539.56
Current maturities of premium obligation	746.21	496.91
Interest accrued on current maturities of premium obligation	31.33	11.06
Interest accrued but not due on borrowings	-	65.00
Interest accrued and due on borrowings (refer note 30)	728.48	107.60
Payable towards capital goods (refer note 9(1) and 30)	588.01	588.01
Payable towards utility shifting work (refer note 30)	1.56	1.56
Employee emoluments payable	5.34	2.13
Other payable	-	0.07
Total (B)	3,102.10	1,811.92
Total (C = A + B)	13,997.73	12,060.61

Note:

1 Premium obligation under the Concession Agreement has been deferred by NHAI vide its sanction letter dated June 10, 2014. According to the terms of the sanction letter company shall pay entire deferred premium and interest thereon no later than one year prior to the expiry of the concession period. Amount of premium obligation which has not been deferred are payable in unequal monthly instalments, in terms of the sanction letter, during the concession period. Accordingly, the deferred obligation has been classified as non current liabilities.

As per the Ministry of Road Transport & Highways policy of National Highway Authorities of India (NHAI), the company is liable to make payment of Interest on Deferment of Premium at Bank Rate + 2% p.a. which is charged to statement of profit & loss account for the year and obligation on the same has been recognised as liabilities.

18 Other current liabilities

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Statutory dues	24.08	1.09
Contract liabilities (refer note 34)	-	0.84
Total	24.08	1.93



Rohtak-Panipat Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2021

19 Revenue from operations

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Revenue from contract with customer (refer note 34 and 42)		
Revenue from toll operation services	585.82	867.71
Total	585.82	867.71

20 Other income

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Interest income:		
on deposit with banks	4.64	0.29
on Income tax refund	0.09	-
Insurance claim received	0.13	22.70
Excess provision written back	6.96	148.56
Interest payable, written back (refer note 30 and 41)	-	541.59
Total	11.81	713.14

21 Operating expenses

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Toll plaza and road operations & maintenance expenses (including payment to sub contractors) (refer note 30)	34.01	49.82
Power and fuel	10.08	10.07
Security expenses	9.63	11.74
Total	53.72	71.63

22 Employee benefits expenses

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Salaries, wages and other allowances (refer note 28)	25.72	26.44
Contribution to provident fund and other fund (refer note 28)	2.58	2.68
Gratuity expense (refer note 28)	0.67	0.57
Staff welfare expenses	4.60	4.57
Total	33.56	34.25

23 Finance cost

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Interest expenses on:		
Rupee term loans	1,160.87	1,091.87
Short term borrowings (refer note 30)	66.99	4.66
Deferment of premium obligation	263.30	256.36
Unwinding of discount on provision of MMR (refer note 29)	102.09	-
Unwinding of discount on NHAI premium (refer note 17)	672.96	667.74
Amortisation of processing fees	5.03	5.03
Other borrowing costs	4.48	1.84
Total	2,275.72	2,027.51



Rohtak-Panipat Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2021

24 Depreciation and amortization

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Depreciation on tangible assets (refer note 5)	0.38	0.43
Amortization on intangible assets (refer note 7)	268.39	336.49
Total	268.77	336.92

25 Other Expenses

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Rent (refer note 30 and 33)	1.06	1.06
Rates and taxes	0.02	0.15
Insurance	11.33	8.40
Professional fees	14.79	9.67
Communication Expense	0.39	0.53
Travelling and conveyance	0.05	0.18
Receivables written off	-	87.39
Cash Collection charges	0.15	0.85
Auditors' remuneration (refer note below)	0.48	0.44
Miscellaneous expenses	0.32	0.41
Total	28.58	109.06

Payment to Auditors:

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Statutory audit fees	0.41	0.41
Certification Fees	0.06	0.02
Total	0.48	0.44



Rohtak-Panipat Tollway Private Limited
Notes to financial statements for the year ended March 31, 2021

26 Income tax

The major component of Income tax expenses for the year ended March 31, 2021 and March 31, 2020 are as under:

a) Profit and loss section

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Current tax	-	-
Deferred tax	-	-
Total	-	-

b) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate:

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Accounting profit before tax	-	-
Statutory income tax rate	(2,062.73)	(998.52)
Expected income tax expenses	26.00%	26.00%
Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses	(536.31)	(259.61)
Tax losses not recognised due to absence of probable certainty of reversal (refer note below)	-	-
At the effective income tax rate of Nil (March 31, 2020: Nil)	536.31	259.61

B) Deferred tax

Particulars	Balance sheet		Statement of Profit and Loss	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Expenditure allowable over the period	1,056.15	1,338.83	(282.68)	(265.94)
Expenditure allowable on payment basis	(1,725.41)	(1,857.57)	132.16	196.81
Unused losses available for offsetting against future taxable income	3,537.01	2,875.54	661.47	471.09
Deferred tax expense/(income)			510.95	401.96
Deferred tax expense/(income) recognised in statement of profit & loss (refer note below)			-	-
Net deferred tax assets/(liabilities)	2,867.75	2,356.80		
Net deferred tax assets/(liabilities) recognised in balance sheet (refer note below)				

Notes

- As a matter of prudence, the company has recognised deferred tax assets on deductible temporary differences and carry forward of unused tax losses in the books to the extent of deferred tax liability balance, as it is not probable that future taxable profit will be available against which those temporary differences, losses and tax credit against which deferred tax assets can be utilized. Accordingly, INR 2,867.75 million (31 March 2020: INR 2,356.80 million) has not recognised as deferred tax assets in the books as at reporting date.



Rohtak-Panipat Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2021

27 Earning per share (EPS);

The following reflects the income and equity share data used in the basic and diluted EPS computations:

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Net (Loss) after tax	(2,062.73)	(998.52)
Number of equity shares at the end of the year	2,186,445	2,186,445
Weighted average number of equity shares for basic and diluted EPS	2,186,445	2,186,445
Nominal value of equity shares	10	10
Basic and diluted (loss) per share	(943.42)	(456.69)

28 Employee benefits disclosure:

A Defined contribution plans:

The following amount recognised as expenses in statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Contribution to provident fund	1.97	1.99
Contribution to ESI	0.56	0.66
Contribution to benevolent fund	0.04	0.03
Total	2.58	2.68

B Defined benefit plans - Gratuity benefit plan:

The Company has a Gratuity benefit plan. Every employee who has completed five years or more of service gets a gratuity on the termination of his employment at 15 days salary (last draw salary) for each completed year of service. The scheme is unfunded. The present value of obligation in respect of gratuity is determined based on actuarial valuation using the Project Unit Credit Method as prescribed by the Indian Accounting Standard - 19. Gratuity has been recognized in the financial statement as per the details given below:

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Defined benefit obligations as at beginning of the year - A	1.63	1.09
<u>Cost charged to statement of profit and loss</u>		
Current service cost	0.56	0.49
Interest cost	0.10	0.08
Sub-total included in statement of profit and loss - B	0.67	0.57
<u>Remeasurement gains/(losses) in other comprehensive income</u>		
Actuarial loss/(gain) due to change in financial assumptions	0.01	0.09
Actuarial loss/(gain) due to experience	(0.14)	(0.10)
Sub-total included in other comprehensive income - C	(0.12)	(0.01)
Benefits paid by company	0.20	0.20
Defined benefit obligations as at end of the year (A+B-C-D)	1.96	1.63
Non-current	1.81	1.52
Current	0.16	0.11

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

	March 31, 2021	March 31, 2020
Discount rate	6.50%	6.60%
Salary Growth Rate	6.00%	6.00%
Withdrawal rate	15% at younger ages reducing to 3% at older ages	15% at younger ages reducing to 3% at older ages
Mortality rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)



Rohtak-Panipat Tollway Private Limited
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A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Sensitivity level	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Discount rate	0.50% increase	(0.07)	(0.06)
	0.50% decrease	0.08	0.06
Salary Growth Rate	0.50% increase	0.08	0.06
	0.50% decrease	(0.07)	(0.07)
Withdrawal rate	10% increase	(0.01)	(0.02)
	10% decrease	0.02	0.01

C. Maturity Profile of the defined benefit obligation

	As at March 31, 2021	
	INR in Million	INR in Million
2022	0.16	9.23%
2023	0.14	8.42%
2024	0.27	15.69%
2025	0.18	10.46%
2026	0.17	9.99%
2027 - 2031	0.78	46.22%

	As at March 31, 2020	
	INR in Million	%
2021	0.11	7.87%
2022	0.13	9.26%
2023	0.14	10.14%
2024	0.22	15.48%
2025	0.16	11.17%
2026 - 2030	0.65	46.09%

The average duration of the defined benefit plan obligation at the end of the reporting period is 7.51 years (March 31, 2020: 7.65 years).

D Other employee benefit:

Salaries, Wages and Bonus include INR 0.78 million (31 March, 2020 INR 0.74 million) towards provision made as per actual basis in respect of accumulated leave encashment/compensated absences.

29 Disclosure related to Periodical major maintenance provisions:

Provision for major maintenance in respect of toll roads maintained by the Company under service concession arrangements and classified as intangible assets represents contractual obligations to restore an infrastructure facility to a specified level of serviceability in respect of such asset. Estimate of the provision is measured using a number of factors, such as contractual requirements, road usage, expert opinions and expected price levels, because actual cash flows can differ from estimates due to changes in laws, regulations, public expectations, prices and conditions, and can take place many years in future, the carrying amounts of provision is reviewed at regular intervals and adjusted to take account of such changes. Below is the movement in provision for the year;

	March 31, 2021 (INR In Million)
Carrying amount as at April 01	827.33
Add: Provision made during the Year	-
Add: Increase during the year in the discounted amount due to passage of time	102.09
Less: Amounts spent during the year	-
Carrying amount as at March 31	929.43
Expected time of outflow	In 2024-25



Rohtak-Panipat Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2021

30 Related party disclosures:

Related party disclosures as required under the Indian Accounting Standard – 24 on “Related Party Disclosures” are given below:

A Name of related parties and nature of relationship:

Related parties where control exists:

Description of relationship
Ultimate Holding Company
Holding Company

Name of the related party
Sadbhav Engineering Limited (SEL)
Sadbhav Infrastructure Project Ltd (SIPL)

B Transactions with related parties during the Year:

Short term borrowings received

SIPL

SEL

Waiver of interest payable (refer note 41)

SIPL

Short term borrowings transferred to sub-debt (refer note 41)

SIPL

Interest on short term borrowings

SEL

Operations and maintenance services availed

SIPL

Rent expenses

SEL

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
	-	192.95
	557.66	367.67
	-	541.59
	-	2,479.67
	66.99	4.66
	24.39	28.41
	1.06	1.06

C Balances outstanding :

Other equity (sub-ordinate debts)

SIPL

Short term borrowings outstanding (including interest payable)

SEL

Payable towards utility shifting

SEL

Payable towards operation & maintenance

SIPL

Rent and reimbursement of expenses

SEL

SIPL

Payable towards EPC contractor claim (including interest payable)

SEL

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
	4,688.73	4,688.73
	991.49	371.87
	1.56	1.56
	47.20	48.26
	4.06	3.07
	0.29	0.05
	588.01	588.01

D Terms and conditions of the balance outstanding:

- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free excepts short term loan for which settlement occurs in cash as per the terms of the agreement.
- Short term loans in INR taken from the related party carries interest rate 11.15% (March 31, 2020 : 11.15%).
- The Company has not provided any commitment to the related party as at March 31, 2021 (March 31, 2020: INR Nil).

31 Contingent liabilities and commitments:

(I) Claims against the Company not acknowledged as debts

Income tax*

Claim filed by National Highway Authorities of India (NHAI) #

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
	13.73	13.73
	203.45	203.45

* Toward income tax demand from authorities for income earned during project implementation period for FY 2012-13. In respect of said matter, the Company has preferred appeal with Tribunal. The matter is pending with Tribunal as at reporting date. The outflow of the amount would be determined upon conclusion of the matter.

NHAI has lodged claim against the company for non-achievement of minimum Finished Road Level (FRL) of INR 203.40 million including interest in arbitration. During the year, two arbitrators has declared award in favour of NHAI which has been dissented by one arbitrator. Since the award was not unanimous, the matter has been referred to Hon'ble High Court of Delhi by the company under Section 34 of Arbitration and Conciliation Act, 1996. Currently, the matter is pending with Hon'ble High Court of Delhi.

(II) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances - INR Nil as at March 31, 2021 (INR Nil) as at March 31, 2020).

32 Segment Reporting

The operating segment of the company is identified to be "BOT", as the Chief Operating Decision Maker (CODM) reviews business performance at an overall company level as one segment and hence, does not have any additional disclosures to be made under Ind AS 108 Operating Segments. Further, the Company also primarily operates under one geographical segment namely India. There are no single customer which contribute more than 10% of the total revenue of the company.



Rohtak-Panipat Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2021

33 Operating Lease:

The company has taken office space on operating leases on short term basis i.e. within 1 year. There are no sub-leases and the leases is cancellable at any point of time by either parties. There are no restrictions imposed under the lease arrangements. There is neither any contingent rent nor any escalation clause in the lease agreements.

During the year, the company has incurred expenses related to short term lease (included in other expenses) of INR 1.06 million (March 31, 2020 INR 1.06 million) toward above premises.

34 Revenue from contract with customers

1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Type of service rendered

Toll operation service

Total revenue from contracts with customers

March 31, 2021 (INR in Million)	March 31, 2020 (INR in Million)
585.82	867.71
585.82	867.71

Place of service rendered

India

Total revenue from contracts with customers

585.82	867.71
585.82	867.71

Timing of revenue recognition

Services transferred over time

Total revenue from contracts with customers

585.82	867.71
585.82	867.71

2 Contract balances

Contract assets (refer note 10)

Contract liabilities (refer note 18)

March 31, 2021 (INR in Million)	March 31, 2020 (INR in Million)
9.36	9.36
-	0.84

Contract assets are recognised for revenue earned from the construction services rendered to Concessioner (NHAI) under concession agreement. Upon completion of work, the contract assets are classified as trade receivable.

Contract liabilities was related to advances received toward construction services during the year from concessioner (NHAI) under concession agreement.

Set out below is the amount of revenue recognised from:

Amounts included in contract liabilities at the beginning of the year

March 31, 2021 (INR in Million)	March 31, 2020 (INR in Million)
0.84	1.15

3 Performance obligation

Information about the company's performance obligations are summarised below:

Toll operation services

The performance obligation is satisfied over time as each toll road-user simultaneously receives and consumes the benefits provided by the Company. Given the short time period over which the company provides road operating services to each road user (i.e. the duration of the time it takes the road user to travel the length of the toll road), the Company recognises toll revenue when it collects the tolls.

Construction services

The performance obligation is satisfied over time as the assets is under control of concessioner (National Highway Authority of India) and they simultaneously receives and consumes the benefits provided by the Company. The Company received progressive payment toward provision of construction services.

4 Reconciliation of the amount of revenue recorded in the statement of profit & loss is not required as there are no adjustment to the contract price.



Rohtak-Panipat Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2021

35 Disclosure of Financial Instruments by category

	Note no.	(INR In Million)					
		March 31, 2021			March 31, 2020		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset							
Cash and cash equivalent	8	-	-	2.36	-	-	1.50
Bank balances other than above		-	-	90.21	-	-	90.21
Other financial assets	9	-	-	893.89	-	-	889.60
Total financial assets		-	-	986.46	-	-	981.31
Financial liabilities							
Non current borrowings	13	-	-	7,628.92	-	-	8,472.79
Current borrowings	14	-	-	925.33	-	-	367.67
Trade payables	16	-	-	86.37	-	-	76.91
Financial liabilities	17	-	-	13,997.73	-	-	12,060.61
Total financial liabilities		-	-	22,638.35	-	-	20,977.98

36 Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particular	(INR In Million)			
	March 31, 2021		March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Other financial liabilities - premium obligation	7,420.92	7,604.37	7,083.06	6,773.59
Total Financial Liabilities	7,420.92	7,604.37	7,083.06	6,773.59

Notes:

- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair value since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.
- The carrying value of Company's interest-bearing borrowings are reasonable approximations of fair values as the borrowing carry floating interest rate.
- The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:
 - The fair value of Premium Obligation is calculated by discounting future cash flows using rates as per RBI Bank rate + 2%.

37 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2021 and March 31, 2020

Liabilities measured at fair value	Note No.	(INR In Million)	
		Fair value measurement using Significant observable inputs (Level 2)	
		March 31, 2021	March 31, 2020
Liabilities for which fair values are disclosed			
Other Financial Liabilities - Premium Obligation	17	7,604.37	6,773.59

There have been no transfers between level 1 and level 2 during the years.



38 Financial instruments risk management objectives and policies

The Company's principal financial liabilities comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, other financial assets and cash and bank balance that derive directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, other receivables, trade and other payables.

Within the various methodologies to analyse and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 25-basis points of the interest rate yield curves in all currencies.
- a simultaneous, parallel foreign exchange rates shift in which the INR appreciates / depreciates against all currencies by 2%

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit & loss may differ materially from these estimates due to actual developments in the global financial markets.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and provisions.

The following assumption has been made in calculating the sensitivity analyses:

* The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at March 31, 2021 and March 31, 2020.

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The interest risk arises to the Company mainly from long term borrowings with variable rates. The Company manages its interest rate risk by having a floating interest rate loans and borrowings. The Company measures risk through sensitivity analysis.

The bank finances are at variable rate, which is the inherent business risk.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected.

With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Effect on loss before tax	
	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Increase in 25 basis point	(22.07)	(22.35)
Decrease in 25 basis point	22.07	22.35

The effect of interest rate changes on future cash flows is excluded from this analysis.



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Notes to Financial Statements for the year ended March 31, 2021

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily other financial assets) and from its financing activities, including balance with bank and other financial instruments.

Financial instruments

Credit risk from balances with banks and financial institutions is managed by the Company's finance and accounts department in accordance with the Company's policy. Investments of surplus funds are made only in accordance with company policy. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the balance sheet as of March 31, 2021 is INR 92.58 million and March 31, 2020 is INR 91.71 million.

(c) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys cash management system. It maintains adequate sources of financing including debt at an optimised cost.

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	Total Amount	On Demand	upto 1 year	1-2 years	2 - 5 years	(INR in million) > 5 years
As at March 31, 2021						
Non current borrowings #	8,630.09	-	1,001.17	821.95	4,416.81	2,390.15
Current borrowings	925.33	925.33	-	-	-	-
Trade payables	86.37	-	86.37	-	-	-
Other financial liabilities	39,733.36	-	2,100.93	263.40	1,145.90	36,223.13
Total	49,375.15	925.33	3,188.48	1,085.35	5,562.71	38,613.28
As at March 31, 2020						
Non current borrowings #	9,012.35	-	525.58	704.75	3,785.84	3,996.19
Current borrowings	367.67	367.67	-	-	-	-
Trade payables	76.91	-	76.91	-	-	-
Other financial liabilities	37,964.67	-	1,272.28	249.30	653.60	35,789.49
Total	47,421.61	367.67	1,874.77	954.05	4,439.44	39,785.68

Current maturity of Non-current borrowings is included and Unamortised transaction cost paid to lenders on upfront basis is excluded.

39 Capital Management

For the purpose of the Company's capital management, capital consist of share capital and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is maximise shareholder value.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Company monitors capital using a debt equity ratio, which is total borrowings divided by total equity excluding balance of negative balance of retain earning

The key performance ratios as at 31 March are as follows

	March 31, 2021 (INR in million)	March 31, 2020 (INR in million)
Non current borrowings* (refer note 13)	8,630.09	9,012.35
Current borrowings (refer note 14)	925.33	367.67
Total (A)	9,555.41	9,380.02
Equity share capital (refer note 11)	21.86	21.86
Other equity (refer note 12)	(6,263.07)	(4,200.47)
Add: Deficit in statement of profit and loss account (refer note 12)	11,147.68	9,085.08
Total (B)	4,906.48	4,906.47

Debt equity ratio (A/B) 1.95 1.91

* Non-current borrowings includes current maturities of non-current borrowings which has been classified under other current financial liabilities and the effect of transaction cost paid to lenders on upfront basis.



40 Disclosure pursuant to Appendix - E to Ind AS 115 - " Service Concession Arrangements" ('SCA')

A Description and classification of the arrangement

The Company has entered into Service Concession Agreement ('SCA') with National Highway Authority of India (NHAI) dated March 09, 2010 for the purpose of four laning of Rohtak -Panipat section from Km 63.30 of NH-10 to Km 83.50 on NH-1 in the state of Haryana on Design, Built, Finance, Operate and Transfer (DBFOT) basis. The Concession period is of 25 years including construction period of 910 days. The Company obtained completion certificate on 6th January, 2014 from NHAI.

B Significant Terms of the arrangements

i Revision of Fees:

Fees shall be revised annually on April 01 subject to the provisions of the National Highways Fee (Determination of Rates and Collection) Rules, 2008.

ii Modification of concession period:

The Concession period shall be modified:

- a If Actual Average Traffic falls short of Target Traffic by more than 2.5%, the concession period shall be increased by 1.5% thereof for every 1% shortfall, but not more than 20% of the concession period.
 - b If Actual Average Traffic exceeds Target Traffic by more than 2.5%, the concession period shall be reduced by 0.75% thereof for every 1% increase, but not more than 10% of the concession period.
 - c If the average daily traffic exceeds the designed capacity of the project highway, the concession period shall be extended (not more than 5 years) in such a way so as to enable the concessionaire to yield Equity IRR of 16% p.a with an assumption of debt equity ratio of 70:30
 - d If the additional tollway has been constructed, either the concession period shall be extended or compensation has been granted.
 - e The concessionaire shall pay Additional Concession fees of INR 450.00 Million for each year of concession period out of the gross revenue of the project as share of Authority from COD, Premium shall be determined by increasing the amount of premium in the respective year by an additional 5% as compared to preceding year.
 - f Authority (NHAI) has granted deferment of Premium payable to NHAI as per the deferment schedule upto year 2026-27 and entire premium payable before end of one year from end of concession period
- B In case of material default or breach of agreement by NHAI which causes suspension of or reduction in collection of Fees, it shall pay to the Concessionaire, the compensation for consequence of such material default or extend the concession period.**
- h If, due to change in the law, company suffers an increase in cost or reduction in net after-tax return or the other financial burden subject to the limits specified in the SCA, the SCA shall be modified in such a way that it nullifies such impact of cost increase, reduction in return or other financial burden. However if no such modification is done, Company may require by notice to the authority to pay an amount that would place the company in the same financial position that it would have enjoyed, had there been no such change in the law. Any dispute in the said procedure shall be settled in accordance with the Dispute Resolution Procedure. Opposite will be the case, in case of reduction in cost.**

iii Rights of the Company to use project highway

- a To demand, collect and appropriate, Fee from vehicles and Users liable for payment of Fee for using the Project Highway or any part thereof and refuse entry of any vehicle if the Fee due is not paid.
- b Right of Way, access and licence to the Site.

iv Obligation of the company

- a The Concessionaire shall not assign, transfer or sublet or create any lien or Encumbrance on the SCA, or the Concession granted or on the whole or any part of the Project Highway nor transfer, lease or part possession thereof, save and except as expressly permitted by SCA or the Substitution Agreement. The project highway means site comprising the existing road comprising from KM 63.30 of NH-10 to KM 83.50 of NH-1 and all Project asset, and its subsequent development and augmentation in accordance with the SCA.
- b The Concessionaire is under obligation to carry out the routine and periodic maintenance of Project Highway as per Schedule K of the SCA.

v Details of any assets to be given or taken at the end of concession period

At the end of the Concession period the company shall deliver the actual or constructive possession of the Project Highway, free and clear of all encumbrances.

vi Details of Termination

SCA can be terminated on account of default of the company or NHAI in the circumstances as specified under article 37 of the SCA.

C There has been no change in the concession arrangement during the year.

D Below is details of revenue and Loss recognised in the year March 31, 2021 and March 31, 2020 on exchange of construction services for intangible assets

The Company has recognised revenue of INR 585.82 million (March 31, 2020: INR 867.71 million) on operation of toll road in form of toll collection from users and construction revenue of INR Nil (March 31, 2020: INR Nil) received from NHAI toward change in scope. The Company recognised loss of INR 2,062.73 million (March 31, 2020: INR 998.53 million) on operation of toll road and profit of INR Nil (March 31, 2020: INR Nil) from construction operations.



Rohtak-Panipat Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2021

- 41 The company has lodged claim of INR 17,063.49 million (amount upto September 30, 2020 along with interest @ 18% p.a. on such claim) to NHAI toward Competing Roads in terms of conditions of concession agreements which is backed by legal view on tenability of the claim. Currently, the claim is pending adjudication before arbitration tribunal as at reporting date. Simultaneously, NHAI has approached to the company for settlement of such claim by way of conciliation proceedings during the year. Basis of the same, the company has given its consent subsequent to yearend and now matter refer to conciliation committee.

On the basis of above, no provision/adjustment to the carrying value of intangible assets of INR 16,350.17 million as at March 31, 2021 is considered necessary at this stage.

Further, considering above pending claim, the holding company had granted waiver from payment of interest accrued till December 31, 2019 amounting to INR 541.49 million and converted outstanding interest-bearing unsecured loan of INR 2,479.67 million to sub-ordinate debt to support the operational ability of the company. Pursuant to the waiver, the outstanding interest payable was written back in the statement of profit and loss and had been included in other income under "Interest payable, written back".

- 42 The company has accumulated losses of INR 11,157.08 million (March 31, 2020: INR 9,085.08 million) as at the March 31, 2021, which have resulted in erosion of the company's net worth and current liability in excess of current assets of INR 3,151.16 million (March 31, 2020: INR 1,254.01 million).

Further, during the year, from December 25, 2020, the toll collection has been forcefully suspended due to agitation and protest held by farmers and other unions against agri-marketing laws. Accordingly, the company is not able to collect toll user fees from December 25, 2020. The company has sent various communications to authorities for such forceful suspension of toll including revenue loss claim of INR 358.50 million till March 31, 2021. However, it is yet to receive response from the authority in this regards. Currently the company is exploring various other legal options on above in terms of the concession agreement.

There are three claims pending between the Company and NHAI under the concession agreement, details of which is described in note no 9(1), 31(i) and 41, the total claim for this amounts to INR 17,749.56 million including interest till date of filing. In respect of such claims, NHAI has approached to the company for settlement of all these claims by way of conciliation proceedings during the year, which has been consented by the company.

Sadbhav Infrastructure Project Limited, the holding company and Sponsors of the Company's project, has invested INR 4,688.73 million as sub-ordinate debt (interest free) which is part of the Project Equity Capital as per terms of the Rupee Facility Agreement (Loan Agreement).

Considering the management assessment of probability and tenability of receiving above claims from NHAI as per the terms of concession agreement, which is backed by legal opinion and communications from NHAI for conciliation, certain ongoing financial structuring discussions, the management believes that the financial statements needs to continue to be prepared on a going concern assumption.

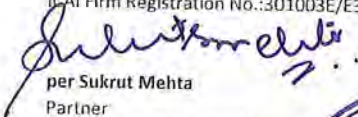
- 43 The company has assessed the possible effects that may result from the pandemic relating to Covid-19 on the carrying amounts of Toll collection rights and amortisation thereof and provision for major maintenance obligation. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company, as at date of approval of these financial statements has used corroborative information. As on current date, the company has concluded that the impact of Covid-19 is not material based on the evaluations. Due to the nature of the pandemic, the company will continue to monitor developments to identify significant uncertainties in future periods, if any.

44 Previous year figures:

Previous year figures have been regrouped/reclassified wherever necessary, to facilitate comparability with current year's classification.

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:301003E/E300005



per Sukrut Mehta
Partner

Membership No.: 101974

Date: June 26, 2021
Place: Ahmedabad



For and on behalf of the Board of Directors of
Rohtak Panipat Tollway Private Limited


Rajkumar Dhoot
Director
DIN No: 08745330

Date: June 26, 2021
Place: Ahmedabad


Niketan Patel
Director
DIN No: 08752536

