

INDEPENDENT AUDITOR'S REPORT

To the Members of Sadbhav Jodhpur Ringroad Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Sadbhav Jodhpur Ringroad 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 profit 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.

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



S.R. BATLIBOI & Co. LLP

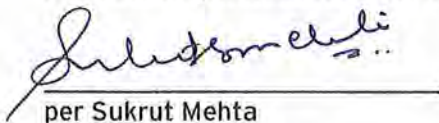
Chartered Accountants

- (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 does not have any pending litigations which would impact its financial position in its 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: 21101974AAAACS1373

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 Sadbhav Jodhpur Ringroad Private Limited for the year ended March 31, 2021.

- (i) The Company does not have any property plant and equipment and accordingly, the provisions of clause 3(i) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (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 income-tax, goods and service tax, cess and other material 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, provident funds, employee state insurance during the year.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of, 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 and explanations given to us, there are no statutory dues which have not been deposited on account of any dispute.
- (viii) In our opinion and according to information and explanations given by the management, we are of the opinion that the Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the period.



S.R. BATLIBOI & Co. LLP

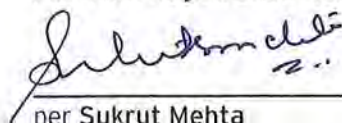
Chartered Accountants

- (ix) In our opinion and 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 Company has not paid or provided any remuneration to the manager or directors appointed under the Act and hence the provision of section 197 read with Schedule V to the Act has accordingly been complied.
- (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 sec 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 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 hence reporting requirement under clause 3(xvi) are not applicable to the company and 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: 21101974AAAACS1373

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 Sadbhav Jodhpur Ringroad 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 Sadbhav Jodhpur Ringroad 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



S.R. BATLIBOI & Co. LLP

Chartered Accountants

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.

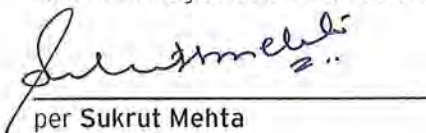
Opinion

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: 21101974AAAACS1373

Place of Signature: Ahmedabad

Date: June 26, 2021



Sadbhav Jodhpur Ringroad Private Limited
Balance Sheet as at March 31, 2021

Particulars	Note No.	As at	As at
		March 31, 2021	March 31, 2020
		INR In Million	INR In Million
ASSETS			
1 Non-current assets			
(a) Financial assets			
(i) Receivable under service concession arrangements	5	1,904.92	1,187.43
(b) Other assets	7	474.01	633.46
Total non-current assets (A)		2,378.93	1,820.89
2 Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	4	0.03	1.30
(ii) Other financial assets	6	8.13	52.24
(b) Other current assets	7	650.41	615.85
(c) Current tax assets	8	-	3.10
Total current assets (B)		658.57	672.49
Total Assets (A+B)		3,037.50	2,493.37
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	9	116.50	116.50
Other equity	10	500.28	392.47
Total Equity (A)		616.78	508.97
LIABILITIES			
1 Non Current Liabilities			
(a) Other liabilities	13	96.08	351.00
(b) Provisions	11	0.01	-
(c) Deferred tax liabilities (net)	20	50.40	12.99
Total Non-current liabilities (B)		146.49	363.99
2 Current liabilities			
(a) Financial liabilities			
(i) Trade payables	12	-	-
-Total outstanding dues of micro and small enterprises		-	-
-Total outstanding dues of creditors other than micro and small enterprises		1,604.94	1,028.55
(b) Other liabilities	13	669.29	591.86
Total Current liabilities (C)		2,274.23	1,620.41
Total Equity and Liabilities (A+B+C)		3,037.50	2,493.37

Summary of significant accounting policies

3

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
ICAI Firm Registration No.:301003E/E300005

per Sukrut Mehta
Partner
Membership No.: 101974



For and on behalf of the Board of Directors of
Sadbhav Jodhpur Ringroad Private Limited

Nitin Patel
Director
DIN: 00466330

Vasista Patel
Director
DIN: 00048324



Kaivan Vora
Chief Financial Officer

Dhruva Thakkar
Company Secretary
M. No : A36390

Date: June 26, 2021
Place: Ahmedabad

Date: June 26, 2021
Place: Ahmedabad

Sadbhav Jodhpur Ringroad Private Limited
Statement of profit and loss for the year ended March 31, 2021

Particulars	Note No.	Year Ended	Year Ended
		March 31, 2021	March 31, 2020
INCOME			
I Revenue from operations	14	1,579.39	1,982.97
II Other income	15	209.52	111.75
III Total income (I+II)		1,788.91	2,094.72
EXPENSES			
a. Sub-contractor charges	16	1,560.52	1,965.73
b. Employee benefit expenses	17	0.14	0.02
c. Finance cost	18	63.79	61.30
d. Other expenses	19	19.24	17.23
IV Total expenses		1,643.69	2,044.28
V Profit before tax (III - IV)		145.22	50.44
VI Tax expenses	20		
Current tax		-	-
Deferred tax		37.41	12.99
VII Total tax expenses		37.41	12.99
VIII Profit for the year (V-VII)		107.81	37.45
IX Other Comprehensive Income			
Items not to be reclassified to profit or loss in subsequent periods :			
Re-measurements losses on defined benefit plans, net of tax		-	-
Total Other Comprehensive Income, net of tax		-	-
X Total comprehensive income for the year, net of tax (VIII + IX)		107.81	37.45

Earning per share [Nominal value of share INR 10/-]
Basic & Diluted (in INR) 21 9.25 3.21

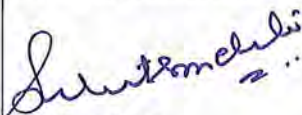
Summary of significant accounting policies 3

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
ICAI Firm Registration No.:301003E/E300005

For and on behalf of the Board of Directors of
Sadbhav Jodhpur Ringroad Private Limited



per Sukrut Mehta
Partner
Membership No.: 101974

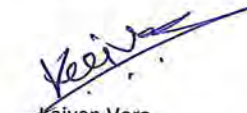




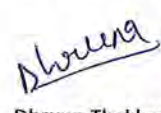
Nitin Patel
Director
DIN: 00466330



Vasistha Patel
Director
DIN : 00048324



Kaivan Vora
Chief Financial Officer



Dhruva Thakkar
Company Secretary
M. No : A36390



Date: June 26, 2021
Place: Ahmedabad

Date: June 26, 2021
Place: Ahmedabad

Sadbhav Jodhpur Ringroad 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 9)	Number of Shares	(INR In Million)
As at April 01, 2019	11,650,000	116.50
Add/(Less): Changes during the year	-	-
As at March 31, 2020	11,650,000	116.50
Add/(Less): Changes during the year	-	-
As at March 31, 2021	11,650,000	116.50

B Other Equity

INR in Million

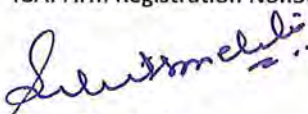
Particulars	Equity component of compound financial instrument (note 10)	Reserves and surplus	Total
		Retained earning (note 10)	
As at April 01, 2019	111.55	(0.49)	111.06
Addition during the year	243.96	-	243.96
Profit for the year	-	37.45	37.45
As at March 31, 2020	355.51	36.96	392.47
Profit for the year	-	107.81	107.81
As at March 31, 2021	355.51	144.77	500.28

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
ICAI Firm Registration No.:301003E/E300005

For and on behalf of the Board of Directors of
Sadbhav Jodhpur Ringroad Private Limited


per Sukrut Mehta
Partner
Membership No.: 101974




Nitin Patel
Director
DIN: 00466330


Vasistha Patel
Director
DIN : 00048324




Kaivan Vora
Chief Financial Officer


Dhrupa Thakkar
Company Secretary
M. No : A36390

Date: June 26, 2021
Place: Ahmedabad

Date: June 26, 2021
Place: Ahmedabad

Sadbhav Jodhpur Ringroad Private Limited
Cash Flow Statement for the year ended March 31, 2021

Particulars	March 31, 2021	March 31, 2020
	INR in Million	INR in Million
(A) Cash flows from operating activities		
Net profit before tax	145.22	50.44
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Interest on deposit with banks	-	(0.08)
Finance income on financial assets carried at amortised cost	(209.52)	(111.67)
Interest and other borrowing cost	63.79	61.30
Operating (loss) before working capital changes	(0.51)	-
<i>Working Capital Changes:</i>		
(Increase) in financial assets	(463.86)	(498.78)
Decrease / (Increase) in other current assets	137.94	(246.87)
Increase in trade payable	576.39	750.86
(Decrease) in other liabilities and provision	(177.48)	(231.23)
Cash generated / (used) in operating activities	72.48	(226.02)
Direct taxes paid (net of income tax refund)	(9.96)	21.29
Net cash generated / (used) in operating activities	(A) 62.52	(204.73)
(B) Cash Flows from investing activities		
Interest income on fixed deposits	-	0.08
Net cash flow generated from investing activities	(B) -	0.08
(C) Cash Flows from financing activities		
Proceeds from perpetual debt	-	243.95
Interest and other borrowing cost paid	(63.79)	(69.66)
Net cash flow (used) in / generated from financing activities	(C) (63.79)	174.29
Net increase in cash and cash equivalents	(A + B + C) (1.27)	(30.36)
Cash and cash equivalents at beginning of the year	1.30	31.66
Cash and cash equivalents at end of the year	0.03	1.30



Sadbhav Jodhpur Ringroad Private Limited
Cash Flow Statement for the year ended March 31, 2021

Notes:

(i) **Components of cash and cash equivalents (refer note 4)**

	March 31, 2021	March 31, 2020
	INR In Million	INR In Million
Cash on hand	0.01	0.02
Balances with banks in current accounts	0.02	1.28
Cash and cash equivalents	0.03	1.30

(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:**

Particulars	INR In Million			
	April 1, 2020	Net cash flow	Others*	March 31, 2021
Interest accrued	0.00	(63.79)	63.79	0.00
Total	0.00	0.00	(63.79)	63.79

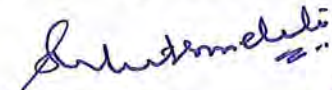
Particulars	INR In Million			
	April 1, 2018	Net Cash flow	Others*	March 31, 2020
Interest accrued	8.36	(69.66)	61.30	0.00
Total	8.36	(69.66)	61.30	0.00

*Other 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
ICAI Firm Registration No.:301003E/E300005


per Sukrut Mehta
Partner
Membership No.: 101974



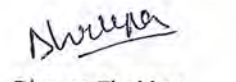
For and on behalf of the Board of Directors of
Sadbhav Jodhpur Ringroad Private Limited


Nitin Patel
Director
DIN: 00466330


Kaivan Vora
Chief Financial Officer




Vasistha Patel
Director
DIN : 00048324


Dhruva Thakkar
Company Secretary
M. No : A36390

Date: June 26, 2021
Place: Ahmedabad

Date: June 26, 2021
Place: Ahmedabad

Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial statement for the year ended March 31, 2021

1. Company information:

Sadbhav Jodhpur Ringroad 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 is wholly 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, Ellis bridge, Ahmedabad-380006.

The company was incorporated as a Special Purpose Vehicle (SPV) in January 2018, for the purpose of Four Laning of Dangiawas to Jajiwad (from Km 96.595 to Km 283.50) Section-Package-I (Design length 74.619 km) of Jodhpur Ringroad (In principally declared NH) in the state of Rajasthan on Hybrid Annuity Mode under NHDP Phase-VII. The Company has entered into Concession Agreement with National Highways Authority of India (NHAI) with a operation period of 15 years. The Concession period includes construction period of 730 days.

The financial statements were approved 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.

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



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial statement for the year ended March 31, 2021

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

The company constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Financial Assets Model

The Company recognizes the considerations given by the grantor i.e. National Highway Authority of India ('NHA') in accordance with Appendix D - 'Service Concession Arrangements' of Ind AS 115. The Company recognizes a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor of the contract for the construction services; the grantor has little, if any, discretion to avoid payment, usually because the agreement is enforceable by law.

3.3 Revenue from contract with customers

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 Company 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.

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.



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial statement for the year ended March 31, 2021

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 recognised 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 recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

3.4 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 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.

3.5 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.

3.6 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.



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial statement for the year ended March 31, 2021

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 recognises 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

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 recognised as expense on a straight-line basis over the lease term.

3.7 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

• **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 recognised in the statement of profit and loss.



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial statement for the year ended March 31, 2021

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.

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:

- Receivable under service concession arrangement and 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.

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 following category:



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial statement for the year ended March 31, 2021

• **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.

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.

• **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 and 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.

3.8 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

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.



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial statement for the year ended March 31, 2021

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.

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.

3.9 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.



Sadbhav Jodhpur Ringroad 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 the carry forward of unused tax credits 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.

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.

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 realise the assets and settle the liabilities



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial statement for the year ended March 31, 2021

simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

3.10 Provisions

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 recognised 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.

3.11 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 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.

3.12 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 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.

3.13 Earnings per share

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



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial statement for the year ended March 31, 2021

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.

3.14 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 losses to the extent that it is probable that taxable profit will be available against which the losses can be set off. 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.

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 toward 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.



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial Statements for the year ended March 31, 2021

4 Cash and cash equivalents	March 31, 2021 INR in Million	March 31, 2020 INR in Million
Cash on hand	0.01	0.02
Balance with banks - in current accounts #	0.02	1.28
Total	0.03	1.30

Balance with bank in current accounts includes balance of INR 0.003 million (March 31, 2020: INR 1.12 million) lying in the escrow accounts.

5 Receivable under service concession arrangements (Unsecured, considered good)	March 31, 2021 INR in Million	March 31, 2020 INR in Million
<u>Non-current</u>		
Receivable under Service concession arrangements (refer note below)	1,904.92	1,187.43
Total	1,904.92	1,187.43

Notes:

- (i) Under Service Concession Arrangement (SCA), where a Special Purpose Vehicle (SPV) has acquired contractual rights to receive specified determinable amounts (Annuity) for use of an asset, such amounts are recognised as "Financial Assets" and are disclosed as "Receivable against Service Concession Arrangements".
- (ii) Refer note 32 for additional disclosure pursuant to Appendix - E to Ind AS 115 - Service Concession Arrangements ('SCA').

6 Other financial assets (Unsecured, considered good)	March 31, 2021 INR in Million	March 31, 2020 INR in Million
<u>Current</u>		
Receivable from NHAI (refer note 1 below)	8.13	52.24
Total	8.13	52.24

Note:

- 1 The amount is receivable from National Highway Authority of India ('NHAI') towards withheld GST and retention money on account of various claims. The same is payable to Sadbhav Engineering Limited ('SEL'). The management expects that the same will be received in next year.



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial Statements for the year ended March 31, 2021

7 Other assets (Unsecured, considered good)

	March 31, 2021 INR in Million	March 31, 2020 INR in Million
Non-current		
Contract assets (refer note 23 and 27)	294.78	500.78
Prepaid expenses	13.27	13.27
Tax deducted at sources receivables	46.97	33.91
Taxes credit receivables	118.99	85.50
Total (A)	474.01	633.46
Current		
Contract assets (refer note 23 and 27)	549.23	512.12
Taxes credit receivables	100.94	103.73
Advance to vendor	0.24	-
Total (B)	650.41	615.85
Total (C=A+B)	1,124.42	1,249.30

8 Current tax assets (net)

Income tax receivable

	March 31, 2021 INR in Million	March 31, 2020 INR in Million
Income tax receivable	-	3.10
Total	-	3.10



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial Statements for the year ended March 31, 2021

9 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	12,000,000	120.00	12,000,000	120.00
Total	12,000,000	120.00	12,000,000	120.00
Issued, subscribed and fully paid up				
Equity Shares of INR 10 each	11,650,000	116.50	11,650,000	116.50
Total	11,650,000	116.50	11,650,000	116.50

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

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	(INR In Million)	No. of shares	(INR In Million)
As at the beginning of the year	11,650,000	116.50	11,650,000	116.50
Issued during the year	-	-	-	-
Outstanding at the end of the year	11,650,000	116.50	11,650,000	116.50

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

The Company has one class of shares referred to as equity shares having a par value of Rs.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 are as below:

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
1,16,50,000 (31 March 2020: 1,16,50,000) equity shares held by Sadbhav Infrastructure Project Limited and its nominees	116.50	116.50

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

Name of Shareholder	March 31, 2021		March 31, 2020	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity shares of INR 10 each fully paid				
Sadbhav Infrastructure Project Ltd and its nominees	11,650,000	100%	11,650,000	100%

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.

10 Other equity

	March 31, 2021 INR in Million	March 31, 2020 INR in Million
Equity component of compound financial instrument - subordinate debts (refer note below & 23)		
Balance at the beginning of the year	355.51	111.55
Addition during the year	-	243.96
Balance at the end of the year	Total (A)	355.51
Surplus in statement of profit and loss		
Balance at the beginning of the year	36.96	(0.49)
Add: Profit for the year	107.81	37.45
Balance at the end of the year	Total (B)	36.96
Total (A + B)	500.28	392.47

Note

- 1 The Project of the Company has been funded through sub ordinate debt of INR 355.51 million from the Sponsors in accordance with Sponsor Support and Equity Contribution Agreement / Sponsor Undertaking. Such subordinate 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.



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial Statements for the year ended March 31, 2021

11 Provisions	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Non current		
Provision for employee benefits-gratuity (refer note 22)	0.01	-
Total	0.01	-
12 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 otherthan micro and small enterprises (refer note 23)	1,604.94	1,028.55
Total	1,604.94	1,028.55
* 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. This has been relied upon by the auditors.		
13 Other current liabilities		
	March 31, 2021 INR in Million	March 31, 2020 INR in Million
Non Current		
Contract liabilities (refer note 27)	96.08	351.00
Total (A)	96.08	351.00
Current		
Contract liabilities (refer note 27)	652.19	580.50
Statutory dues	17.10	11.36
Total (B)	669.29	591.86
Total (C=A+B)	765.37	942.86



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial Statements for the year ended March 31, 2021

14 Revenue from operations	March 31, 2021 INR in Million	March 31, 2020 INR in Million
Revenue from contract with customer (refer note 27)		
Revenue from construction services	1,579.39	1,982.97
Total	1,579.39	1,982.97
15 Other income	March 31, 2021 INR in Million	March 31, 2020 INR in Million
Interest on fixed deposit with banks	-	0.08
Finance income on financial assets carried at amortised cost	209.52	111.67
Total	209.52	111.75
16 Sub-contractors charges	March 31, 2021 INR in Million	March 31, 2020 INR in Million
Sub-contracting charges (refer note 23)	1,560.52	1,965.73
Total	1,560.52	1,965.73
17 Employee benefit expenses	March 31, 2021 INR in Million	March 31, 2020 INR in Million
Salary expenses	0.13	0.01
Gratuity (refer note 22)	0.01	-
Total	0.14	0.02
18 Finance cost	March 31, 2021 INR in Million	March 31, 2020 INR in Million
Interest on others (refer note 23)	63.79	61.28
Others	-	0.02
Total	63.79	61.30
19 Other expenses	March 31, 2021 INR in Million	March 31, 2020 INR in Million
Rent (refer note 23 and 26)	1.06	1.06
Auditors' remuneration		
- Statutory audit fees	0.50	0.15
- Certification fees	0.07	-
Legal and professional fees	17.09	15.99
Corporate social responsibility expenses (refer note 29)	0.50	-
Miscellaneous expense	0.02	0.03
Total	19.24	17.23



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial Statements for the year ended March 31, 2021

20 Income tax

The major components 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	37.41	12.99
Total	37.41	12.99

(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	145.22	50.44
Statutory Income tax rate	25.17%	25.17%
Expected Income tax expenses	36.55	12.69
Tax Effect of adjustments to reconcile expected Income tax		
Tax on income at different rates	-	0.29
Tax on permanent disallowance	0.13	-
Others	0.73	-
At the effective income tax rate of 25.76% (March 31, 2020: 25.74%)	37.41	12.98

(c) Deferred Tax

	INR in Million			
	Balance sheet		Statement of Profit and Loss	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Impact of fair valuation of financial instruments	52.47	15.04	37.43	15.04
Unused tax losses available for offsetting against future taxable income	(2.07)	(2.05)	(0.02)	(2.05)
Deferred tax expense			37.41	12.99
Net deferred tax liability / (assets)	50.40	12.99		



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial Statements for the year ended March 31, 2021

21 Earning per share (EPS):

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

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Net Profit attributable to equity holders:	107.81	37.45
Total number of equity shares at the end of the year	11,650,000	11,650,000
Weighted average of number of equity shares for basic and diluted EPS	11,650,000	11,650,000
Nominal value of equity shares	10	10
Basic and diluted EPS	9.25	3.21

22 Employee benefits disclosure:

A 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.

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 recognised in the financial statements as per 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	-	-
Cost charged to statement of profit and loss		
Current service cost	0.01	-
Interest cost	-	-
Sub-total included in statement of profit and loss - B	0.01	-
Remeasurement gains/(losses) in other comprehensive income		
Actuarial loss/(gain) due to change in financial assumptions	-	-
Actuarial loss/(gain) due to change in demographic assumptions	-	-
Actuarial loss/(gain) due to experience	-	-
Sub-total included in other comprehensive income - C	-	-
Benefits paid by company	-	-
Defined benefit obligations as at end of the year (A+B-C-D)	0.01	-
Non-current	0.01	-
Current	-	-

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%	-
Salary Growth Rate	6.00%	-
Withdrawal rate	15% at younger ages reducing to 3% at older ages	-
Mortality rate	Indian Assured Lives Mortality (2006-08)	-

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	(0.00)	-
	0.50% decrease	0.00	-
Salary Growth Rate	0.50% increase	0.00	-
	0.50% decrease	(0.00)	-
Withdrawal rate	10% increase	(0.00)	-
	10% decrease	0.00	-



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial Statements for the year ended March 31, 2021

C Maturity Profile of the defined benefit obligation

	As at March 31, 2021	
	INR in Million	INR in Million
2022	0.00	0.24%
2023	0.00	0.24%
2024	0.00	0.24%
2025	0.00	0.22%
2026	0.00	18.04%
2027 - 2031	0.00	81.01%

The average duration of the defined benefit plan obligation at the end of the end of the reporting period is 9.44 years.

23 Related party disclosures:

Related party disclosures as required under the Indian Accounting Standard (IND AS) – 24 on "Related Party Disclosures" are given below:

A Name of the related parties and description of relationship :

Related party where control exists

Ultimate Holding Company
Holding Company

Sadbhav Engineering Limited (SEL)
Sadbhav Infrastructure Project Limited (SIPL)

B Transactions with related parties during the year:

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
(i) Compound financial instrument - perpetual debt		
-SIPL	-	243.96
(ii) Availment of services		
-SEL	1,560.52	1,965.73
(iii) Reimbursement of expenses		
-SIPL	-	26.26
(iv) Rent expenses		
-SEL	1.06	1.06
(v) Interest income		
-SEL	60.82	53.23

(C) Balance outstanding as at the year end:

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
(i) Subordinate debt		
-SIPL	355.51	355.51
(ii) Trade payable and other liabilities (including retention money)		
-SEL	1,595.79	991.50
-SIPL	3.97	26.26
(iii) Mobilization advance and outstanding interest thereon		
-SEL	844.01	1,012.90

(IV) 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 and settlement occurs in cash as per the terms of the agreement.
- The Company has not provided any commitment to the related party as at March 31, 2021 (March 31, 2020 : Nil).

24 Contingent liabilities and commitment:

a. Contingent liabilities:

Based on the information available with the company, there are no contingent liabilities as at March 31, 2021 (March 31, 2020 : Nil).

b. Commitments:

The followings are the estimated amount of contractual commitments relating to the project expenditure of the company:

	March 31, 2021 (INR in Million)	March 31, 2020 (INR in Million)
(i) EPC work - Road construction	7,688.76	9,268.15

25 Segment reporting

The operating segment of the company is identified to be "Design, Build, Operate and Transfer (DBOT)" basis, 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 total revenue of the company.



26 Operating lease:

The Company has taken office space on operating lease basis. There are no sub-leases and the leases which are cancellable in nature at any point of time by either of parties. There are no restrictions imposed under the lease arrangements. There are neither any contingent rent nor any escalation clause in the lease arrangements. During the year, the Company has incurred INR 1.06 million (March 31, 2020: INR 1.06 million) toward rent of office premises.

27 Revenue from contract with customers

1 Disaggregated revenue information

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

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Type of service rendered		
Revenue for construction service	1,579.39	1,982.97
Total revenue from contracts with customers	1,579.39	1,982.97
India	1,579.39	1,982.97
Total revenue from contracts with customers	1,579.39	1,982.97
Timing of revenue recognition		
Services transferred over time	1,579.39	1,982.97
Total revenue from contracts with customers	1,579.39	1,982.97

2 Contract balances

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Contract assets (refer note 7)	844.01	1,012.90
Contract liabilities (refer note 13)	748.27	931.50

Contract assets are in nature of upfront advances given to contractors towards sub-contract/EPC work of road construction under the EPC agreement. Upon progress completion of work, the contract assets are adjusted against liabilities of sub contractors.

Contract liabilities of INR 748.27 million (March 31, 2020 : INR 931.50 million) are in nature of upfront advance received under concession agreement with NHAI. Upon progress completion of work the contract liability are adjusted against receivable from NHAI.

3 Performance obligation

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

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.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at March 31, 2021 are, as follows:

	March 31, 2021 (INR In Million)	March 31, 2020 (INR in Million)
Within one year	4,142.00	1,457.73
Morethan one year	3,546.76	7,810.42

4 Reconciliation of the amount of revenue recorded in statement of Profit & loss during the year is not required as there are no adjustments to the contracted price during the year.



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial Statements for the year ended March 31, 2021

28 Financial instruments

(I) Disclosure of financial instruments by category

(INR In Million)

Financial instruments by categories	Note no.	March 31, 2021		
		FVTPL	FVTOCI	Amortized cost
Financial asset				
Cash and cash equivalent	4	-	-	0.03
Receivable under concession arrangement	5	-	-	1,904.92
Other financial assets	6	-	-	8.13
Total financial assets		-	-	1,913.08
Financial Liabilities				
Trade payables	12	-	-	1,604.94
Total financial liabilities		-	-	1,604.94

Financial instruments by categories	Note no.	March 31, 2020		
		FVTPL	FVTOCI	Amortized cost
Financial asset				
Cash and cash equivalent	4	-	-	1.30
Receivable under concession arrangement	5	-	-	1,187.43
Other financial assets	6	-	-	52.24
Total financial assets		-	-	1,240.97
Financial Liabilities				
Trade payables	12	-	-	1,028.55
Total financial liabilities		-	-	1,028.55

(II) Fair value disclosures for financial assets and financial liabilities

The management assessed that the fair values of cash and cash equivalents, receivable under service concession agreement, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

29 Details of Corporate Social Responsibility (CSR) Expenditure

March 31, 2021 March 31, 2020

(INR In Million) (INR In Million)

(a) Gross amount required to be spent by the company during the year

- CSR obligation for current financial year	0.01	-
- Unspent amount of CSR obligation of previous financial year	-	-
- Total CSR obligation	0.01	-

(b) Amount spent during the year:

(i) On purposes other than construction / acquisition of any assets-Already Paid:	-	-
(ii) On purposes other than construction / acquisition of any assets-To be Paid:	0.01	-



30 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 and to support its operations. The Company's principal financial assets include other receivables 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 minimize potential adverse effects on its financial performance. The Board of Directors have 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.

(i) 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, investments, 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.

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 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 at March 31, 2021.

(ii) 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 Company is not exposed to interest rate risk because the company does not have outstanding any borrowing as at reporting date.

(iii) 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 and Temporary Investment in Mutual Fund

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. The Company with 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 from balance with bank and financial institution as on March 31, 2020 is INR 0.03 million (March 31, 2020 : 1.30 million)

(iv) 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:

(INR in Million)

Particulars	Total Amount	On Demand	upto 1 year	1-2 years	2 - 5 years	> 5 years
As at March 31, 2021						
Trade payables	1,604.94	-	1,604.94	-	-	-
Total	1,604.94	-	1,604.94	-	-	-
As at March 31, 2020						
Trade payables	1,028.55	-	1,604.94	-	-	-
Total	1,028.55	-	1,604.94	-	-	-

31 Capital Management

For the purpose of the Company's capital management, capital consist of share capital, other equity in form of subordinate debt and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and debt equity ratio in order to support its business and 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.

Summary of quantitative data is given here as under:

	March 31, 2021 (INR In Million)	March 31, 2020 (INR In Million)
Equity share capital (refer note 9)	116.50	116.50
Other equity (refer note 10)	355.51	355.51
Add: Deficit in statement of profit and loss (refer note 10)	144.77	36.96
Equity	616.78	508.97

The company does not have any externally imposed capital requirement as on March 31, 2021 (March 31, 2020 : Nil)



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

(I) Description and classification of the arrangement

Sadbhav Jodhpur Ringroad Private Limited ("the Company") was incorporated as a Special Purpose Vehicle (SPV) in January, 2018, for the purpose of Four Lining of Dangiawas to Jajiwai (from Km 96.595 to Km 283.50) Section-Package-I (Design length 74.619 km) of Jodhpur Ringroad (In principally declared NH) in the state of Rajasthan on Hybrid Annuity Mode under NHDP Phase-VII. The Company has entered into Concession Agreement with National Highways Authority of India (NHAI) with a Operation Period of 15 years. The Concession period includes construction period of 730 days.

(II) Significant terms of the arrangements

(a) Bid Project Cost:-

The cost of the construction of the project which is due and payable by NHAI as on the Bid date is considered as the bid project cost under the concession agreement. The bid project cost has been finalised as INR 11,610 million as at the bid date. Bid project cost is inclusive of the cost of construction, interest during construction, working capital, physical contingencies and all other costs, expenses and charges for and in respect of the construction of the project.

(b) Adjusted Bid Project Cost:-

The Bid Project cost adjusted to variation between the Price Index occurring between the Reference Index Date preceding the Bid Date and the Reference Index Date immediately preceding the Appointed Date shall be deemed to be the Bid Project Cost at commencement of construction.

(c) Payment of Bid Project Cost:-

40% of the Bid Project Cost, adjusted for the Price Index Multiple, shall be due and payable to the company in 5 equal installments of 8% each during the Construction Period in accordance with the provisions of Clause 23.3 of the SCA.

The remaining Bid Project Cost, adjusted for the Price Index Multiple, shall be due and payable in 30 biannual installments commencing from the 180th day of COD in accordance with the provision of Clause 23.3 of the SCA.

Interest shall be due and payable on the reducing balance of Completion Cost at an interest rate equal to the applicable Bank Rate plus 3%. Such interest shall be due and payable biannually along with each installment specified in Clause 23.6.4 of SCA.

(d) Bonus on early completion:-

The SCA also provides for the payment of Bonus to the company in the event the COD is achieved on or more than 30 days prior to the schedule completion date.

(e) Operation & maintenance payments:-

All Operation and maintenance expenditure shall be borne by the concessionaire i.e. company. However, as provided in SCA, the company shall be entitled to received lump sum financial support in the form of biannual payments by the NHAI, which shall be computed on the amount quoted in the O&M bid. Each installment of O&M payment shall be the product of the amount determined in accordance with clause 23.7.1 of the SCA and the price index multiple on the reference index date preceding the due date of payment thereof.

(f) Termination of the SCA:-

SCA can be terminated on account of default of the company or NHAI in the circumstances as specified under Article 31 of the SCA.

(g) Restriction on assignment and charges:-

In terms of the SCA the company shall not assign, transfer or dispose of all or any rights and benefits under SCA or create any encumbrances thereto except with prior consent of NHAI.

(III) There has been no change in the concession arrangement during the year.

(IV) Below is the details of revenue and profit recognised in the year ended March 31, 2021 on exchange of construction services.

The Company has recognised construction revenue of INR 1,579.39 million (March 31, 2020: INR 1,982.97 million) received from NHAI towards contract revenue. The Company recognised profit of INR 107.83 million (March 31, 2020: INR 37.46 million) from construction operation.



Sadbhav Jodhpur Ringroad Private Limited
Notes to Financial Statements for the year ended March 31, 2021

33 The management has made assessment of Covid-19 impact on business, and believes that the impact may not be significant over the terms of its contracts. The Company is in the process of filing of claims for appropriate relief as per the terms of concession agreement with NHA. 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 information 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.

34 There is delay in physical work progress as at March 31, 2021 due to delay in handing over the land from Authority (NHA), non-funding by the lenders and nationwide lockdown due to Covid-19. Currently sponsor is supporting for necessary funding requirement for smooth execution of the project and simultaneously is in discussion with the existing lenders / new lenders for the funding arrangement for the project and once it has been arranged then the company will apply to NHA for extension of concession period including construction period which was previously scheduled to complete on Sep 30, 2020. Considering the current situation, the management is confident that necessary approvals relating to extension of concession period including construction period will be received from Concessioners and no consequences is envisaged under term of concession agreement.

35 Previous year comparatives:

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
Firm Registration No.:301003E/E300005


per Sukrut Mehta
Partner

Membership No.: 101974




For and on behalf of the Board of Directors of
Sadbhav Jodhpur Ringroad Private Limited


Nitin Patel
Director
DIN: 00466330


Kaivan Vora
Chief Financial Officer

Date: June 26, 2021
Place: Ahmedabad


Vasishtha Patel
Director
DIN : 00048324


Dhruva Thakkar
Company Secretary
M. No : A36390



Date: June 26, 2021
Place: Ahmedabad