INDEPENDENT AUDITOR'S REPORT

To
The Members of
Ahmedabad Ring Road Infrastructure Limited

Report on audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Ahmedabad Ring Road Infrastructure Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity for the year ended on that date , and a summary of the significant accounting policies and other explanatory information (herein after referred to as 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) 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 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during our 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.

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Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these 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.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 financial controls 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.

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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 those charged with governance 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 Section143(3) of the Act, based on our audit 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 Other Comprehensive Income, the statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 and the operating effectiveness of such controls, refer to our separate Report in **"Annexure – A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that the company has not paid remuneration to directors during the year.

(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 did not have any pending litigations which would impact its financial position.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend in the year under audit and hence reporting requirement for compliance with section 123 of the Act is not applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the order") issued by the central government in terms of Section 143(11) of the Act, we give in "**Annexure-B**" a statement on matters specified in paragraphs 3 and 4 in order.

For S G D G & Associates LLP
Chartered Accountants
Firm's Registration No. W100188

(Devansh Gandhi)
Partner
Membership No. 129255
UDIN: 22129255AJUGHN1791

Place: Ahmedabad
Date: May 26, 2022

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ANNEXURE - A

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report the members of **Ahmedabad Ring Road Infrastructure Limited** of even date)

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

In conjunction with our audit of the financial statements of Ahmedabad Ring Road Infrastructure Limited (The Company) as of and for the year ended March 31, 2022, we have also audited the internal financial controls over financial reporting of the Company.

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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 ICAI.

For S G D G & Associates LLP
Chartered Accountants
Firm's Registration No. W100188

DGandhi

(Devansh Gandhi)
Partner
Membership No. 129255
UDIN: 22129255AJUGHN1791

Place: Ahmedabad
Date: May 26, 2022

ANNEXURE – B

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report the members Ahmedabad Ring Road Infrastructure Limited of even date)

Report on the Companies (Auditor' Report) Order, 2020, issued in terms of section 143 (11) of the Companies Act, 2013('the Act') of Ahmedabad Ring Road Infrastructure Limited ('the Company')

To the best of our information and according to information and explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) (a) (I) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.

(II) The Company has maintained proper records showing full particulars of Intangible Asset.

(b) The property, plant & equipment have been physically verified during the year by the management, which in our opinion, is reasonable having regard to size of the Company and nature of property, plant & equipment. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties disclosed in the financial statements included in investment property are held in the name of the company.

(d) The company has not revalued its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The company does not have any inventory and hence the reporting requirements of paragraph 3(ii)(a) of the Order are not applicable.

(b) During any point of time of the year, the company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets. Hence the reporting requirements of paragraph 3(ii)(b) of the Order is not applicable.

(iii) The company has made investment in and granted unsecured loans and advance in the nature of loans, to companies, firms, Limited Liability Partnerships or any other party during the year.

(a) During the year, the Company has provided loans to other party details of which are as under:

(A) The company does not have any subsidiary, joint venture and/or associate. Accordingly, reporting under clause 3(iii)(a)(A) of the order is not applicable to the company.

(B) Aggregate amount of loans provided to other party during the year is Rs. 45.09 million and balance outstanding at the balance sheet date is Rs. Nil.

(b) In our opinion, terms and conditions of loans granted and investment made during the year are not prima facie prejudicial to the interest of the Company except interest aforesaid loan given to other party is not charged. However the said loan is recovered by the company and there is no loan outstanding at the balance sheet date.

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AHMEDABAD

(c) In respect of loans granted by the Company, the terms of arrangement does not stipulate repayment of principal and payment of interest. The loans are repayable on demand. During the year the company has demanded repayment of such loan and said loan is recovered by the company and there is no loan outstanding at the balance sheet date.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The company has granted Loans to Ultimate Holding company aggregating to Rs 45.09 million. i.e 100% of the total loans granted during the year which is repayable on demand.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, with respect to the loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposits or deemed deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of deposits) rules, 2014 (as amended). Accordingly, the provisions 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 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the company in respect of construction activity. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is generally regular in depositing the undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other material statutory dues, as applicable, with appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other material statutory dues were in arrears as at March 31, 2022, for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred in sub clause(a) above which have not been deposited on account of dispute as on March 31,2022

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) We are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The company has not been declared willful defaulter by any bank or financial institution or other lender

(c) The company has not taken any term loans during the year. Hence the reporting requirement of paragraph 3(ix)(c) of the Order are not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The company does not have subsidiaries, associates or joint ventures. Hence the reporting requirements of paragraph 3(ix)(e) of the Order are not applicable.

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(f) The Company has not raised loans during the year. Hence the reporting requirements of paragraph 3(ix)(f) of the Order are not applicable.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer during the year. Hence the reporting requirements of paragraph 3(x)(a) of the order are not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence the reporting requirements of paragraph 3(x)(b) of the order are not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the company or on the company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented by the management, there are no whistle blower complaints received by the company during the year.

(xii) The Company is not a Nidhi Company. Therefore, the reporting requirement of Clause 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and also the details which have been disclosed in the Financial Statements are in accordance with the applicable Indian Accounting Standards.

(xiv) (a) In our opinion the internal audit system of the Company is commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly reporting requirement of paragraph 3(xv) of the Order are not applicable to the Company.

(xvi) According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence reporting requirement of paragraph 3(xvi) of the Order are not applicable to the Company.

(xvii) The Company has not incurred cash losses in the Financial Year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exist as on the date of audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. However, we state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

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(xx) There is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the order are not applicable.

For S G D G & Associates LLP
Chartered Accountants
Firm's Registration No. W100188

(Devansh Gandhi)
Partner
Membership No. 129255
UDIN: 22129255AJUGHN1791

Place: Ahmedabad
Date: May 26, 2022

Ahmedabad Ring Road Infrastructure Limited
Balance Sheet as at March 31, 2022

	Particulars	Note No.	As at March 31, 2022 (INR in Million)	As at March 31, 2021 (INR in Million)
	ASSETS			
1	**Non-Current Assets**			
a	Property, Plant and Equipments	5	16.36	22.44
b	Investment Property	6	2.15	2.15
c	Intangible Assets	7	1,890.61	2,324.47
d	Financial Assets			
	(i) Other Financial Assets	8	1.02	1.02
e	Other Non-Current Assets	9	4.91	4.76
	Total Non-Current Assets		**1,915.05**	**2,354.84**
2	**Current Assets**			
a	Financial Assets			
	(i) Investments	10	-	15.02
	(ii) Trade receivables	11	9.51	8.82
	(iii) Cash and Cash Equivalents	12	18.87	40.01
	(iv) Loans	13	-	60.93
	(v) Other Financial Assets	8	588.17	127.42
b	Other Current Assets	9	27.69	20.86
c	Current Tax Assets (Net)	14	0.43	-
	Total Current Assets		**644.68**	**273.06**
	Total Assets		**2,559.73**	**2,627.90**
	EQUITY AND LIABILITIES			
	EQUITY			
1	Equity Share Capital	15	104.60	104.60
2	Other Equity	16	909.99	822.85
	Total Equity		**1,014.59**	**927.45**
	LIABILITIES			
1	**Non-Current Liabilities**			
a	Financial Liabilities			
	(i) Borrowings	17	44.56	281.04
b	Provisions	19	4.40	4.26
c	Deferred Tax Liabilities (Net)	20	194.78	178.93
	Total Non-Current Liabilities		**243.74**	**464.23**
2	**Current Liabilities**			
a	Financial Liabilities			
	(i) Borrowings	18	305.05	786.41
	(ii) Trade Payables			
	-Total outstanding dues of Small Enterprises and Micro enterprises		-	-
	-Total outstanding dues of creditors other than Small Enterprises and Micro enterprises	21	579.12	66.33
	(iii) Other Financial Liabilities	22	67.92	93.79
b	Other Current Liabilities	23	11.73	5.76
c	Provisions	19	337.58	283.93
	Total Current Liabilities		**1,301.40**	**1,236.22**
	Total Equity and Liabilities		**2,559.73**	**2,627.90**
Significant Accounting Policies		3		

Accompanying notes are an integral part of the financial statements
As per our report of even date

For S G D G & Associates LLP
Chartered Accountants
ICAI Firm Registration No. W100188

(Devansh Gandhi)
Partner
Membership No. 129255

S G D G & ASSOCIATES LLP AHMEDABAD

Place: Ahmedabad
Date: May 26, 2022

AHMEDABAD RING ROAD INFRASTRUCTURE LTD. AHMEDABAD

For & on behalf of the Board of Directors of
Ahmedabad Ring Road Infrastructure Limited

(Mahendrasinh Chavda)
Managing Director
DIN: 02607067

(Kalpesh Shah)
Director
DIN: 01139469

(Hitesh Chelani)
Chief Financial Officer

Place: Ahmedabad
Date: May 26, 2022

Ahmedabad Ring Road Infrastructure Limited
Statement of Profit and Loss for the year ended March 31, 2022

	Particulars	Note No.	Year ended March 31, 2022 (INR in Million)	Year ended March 31, 2021 (INR in Million)
	INCOME			
I	Revenue From Operations	24	1,153.44	1,070.56
II	Other Income	25	0.43	1.31
III	**Total Income (I+II)**		**1,153.87**	**1,071.87**
	EXPENSES			
	Operating Expenses	26	442.74	138.32
	Employee Benefits Expenses	27	41.22	28.52
	Finance Cost	28	107.52	139.89
	Depreciation and Amortization Expenses	5&7	441.83	265.37
	Other Expenses	29	20.43	18.03
IV	**Total Expenses**		**1,053.74**	**590.13**
V	**Profit before Exceptional Items and tax (III-IV)**		100.13	481.74
VI	Exceptional Items		24.20	-
VII	**Profit before tax (V+VI)**		124.33	481.74
IX	**Tax Expenses**	35		
	Current Tax Expense		21.72	-
	Deferred Tax Expense/Credit		15.85	127.67
	Tax Adjustment of earlier period		-	0.88
	Total Tax Expenses		**37.57**	**128.55**
X	**Profit for the year (VII-IX)**		**86.76**	**353.19**
XI	**Other Comprehensive Income**			
	Other comprehensive income not to be reclassified to profit or loss in subsequent period :-			
	Remeasurement (losses)/gain on defined benefit plan	34	0.40	0.69
XII	**Total Other Comprehensive Income for the year (X+XI)**		**87.17**	**353.88**
XIII	**Earning Per Share (EPS)**			
	(Nominal Value of share INR 10/-)			
	Basic & Diluted EPS	30	**8.29**	**33.77**
	Significant Accounting Policies	3		

Accompanying notes are an integral part of the financial statements
As per our report of even date

For S G D G & Associates LLP
Chartered Accountants
ICAI Firm Registration No. W100188

(Devansh Gandhi)
Partner
Membership No. 129255

S G D G & ASSOCIATES LLP AHMEDABAD

For & on behalf of the Board of Directors of
Ahmedabad Ring Road Infrastructure Limited

(Mahendrasinh Chavda)
Managing Director
DIN: 02607067

(Kalpesh Shah)
Director
DIN: 01139469

(Hitesh Chelani)
Chief Financial Officer

Place: Ahmedabad
Date: May 26, 2022

Place: Ahmedabad
Date: May 26, 2022

AHMEDABAD RING ROAD INFRASTRUCTURE LTD. AHMEDABAD

Ahmedabad Ring Road Infrastructure Limited
Statement of Cash Flow for the year ended March 31, 2022

	Particulars		As at March 31, 2022 (INR in Million)	As at March 31, 2021 (INR in Million)
(A)	**Cash flows from Operating activities**			
	Profit before Tax		124.33	481.74
	Adjustments for:			
	Depreciation and Amortisation		441.83	265.36
	Finance Cost		71.74	136.30
	Gain on sale of Investments (net)		(0.23)	(0.94)
	Interest income		(0.07)	(0.11)
	Major Maintenance Expense		299.50	-
	Amortisation of Processing fees		6.22	3.59
	Notional Interest on MMR		29.56	-
	Other Comprehensive Income - Gratuity		0.40	0.69
	Cash generated before Effect of Working capital		**973.28**	**886.63**
	Adjustments for:			
	(Increase) in other current financial assets		(461.61)	154.02
	(Increase) in Trade Receivables		(0.69)	(0.57)
	Decrease in Provisions		(275.27)	(271.20)
	Decrease/(Increase) in other current assets		(6.83)	(13.54)
	Decrease/(Increase) in Trade Payables		512.79	(194.45)
	Increase in other current financial liabilities		(21.86)	13.82
	Increase/(Decrease) in other current liabilities		5.97	0.80
	Increase/(Decrease) in other Non - Current Assets		(0.15)	(2.78)
	Cash generated from Operations		**725.64**	**572.73**
	Direct Taxes Paid (net of Refund)		(22.19)	(46.45)
	Net cash flow from operating activities	**(A)**	**703.45**	**526.28**
(B)	**Cash Flows from Investing activities**			
	(Purchase)/Sale of Fixed assets (Net)		(1.90)	(9.53)
	Redemption of Units of Mutual Fund investments		15.25	448.46
	Purchase of Units of Mutual Fund investments		-	(448.00)
	Loan given to Holding Company		(45.09)	(227.97)
	Loan Recovered from Holding Company		106.02	232.40
	Interest income		0.01	0.11
	Net cash generated from/ (used in) investing activities	**(B)**	**74.29**	**(4.54)**
(C)	**Cash Flows from Financing activities**			
	Repayment of Long-term Borrowings		(725.68)	(354.50)
	Long-term borrowings received		1.61	-
	Interest capitalized to loan		-	29.83
	Interest Paid		(74.83)	(145.17)
	Loan received from ultimate holding company		-	25.00
	Loan repaid to ultimate Holding Company		-	(72.00)
	Net cash used in financing activities	**(C)**	**(798.90)**	**(516.83)**
	Net (Decrease)/Increase in cash and cash equivalents	**(A + B + C)**	(21.14)	4.91
	Cash and cash equivalents at beginning of the year		40.01	35.10
	Cash and cash equivalents at end of the year		**18.87**	**40.01**

Notes:

(i)

Components of cash and cash equivalents:	As at March 31, 2022 (INR in Million)	As at March 31, 2021 (INR in Million)
Cash on hand	6.44	5.50
Balances with banks in current accounts	12.43	34.51
Cash and Cash Equivalents as per Note 12	**18.87**	**40.01**

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AHMEDABAD RING ROAD INFRASTRUCTURE LTD.

Ahmedabad Ring Road Infrastructure Limited
Statement of Cash Flow for the year ended March 31, 2022

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

(INR in Million)

(iii)

Reconciliation of Liabilities & Financial Assets arising from financing activities	As at April 01, 2021	Cash Inflows/ (Outflows)	Non - Cash Adjustments	Finance Costs	As at March 31, 2022
Liabilities					
Long Term Borrowings	1,067.45	(724.07)	6.22	-	349.60
Interest accrued but not due on borrowings	-	-	-	-	-
Interest accrued and due on borrowings	(3.87)	5.34	-	-	1.47

Reconciliation of Liabilities & Financial Assets arising from financing activities	As at April 01, 2020	Cash Inflows/ (Outflows)	Non - Cash Adjustments	Finance Costs	As at March 31, 2021
Liabilities					
Long Term Borrowings	1,388.55	(324.69)	3.59	-	1,067.45
Interest accrued but not due on borrowings	5.00	(8.87)	-	-	(3.87)
Interest accrued and due on borrowings	-	(136.30)	-	136.30	-

(iv) Balance with banks includes balance of INR 10.72 Millions (March 31, 2021: INR 24.88 Millions) lying in the Escrow Accounts, as per terms of borrowings with the lenders.

(v) Figures in brackets represent outflows.

As per our report of even date
For S G D G & Associates LLP
Chartered Accountants
ICAI Firm Registration No. W100188

(Devansh Gandhi)
Partner
Membership No. 129255

S G D G & ASSOCIATES LLP AHMEDABAD

Place: Ahmedabad
Date: May 26, 2022

For & on behalf of the Board of Directors of
Ahmedabad Ring Road Infrastructure Limited

(Mahendrasinh Chavda)
Managing Director
DIN: 02607067

(Kalpesh Shah)
Director
DIN: 01139469

(Hitesh Chelani)
Chief Financial Officer

Place: Ahmedabad
Date: May 26, 2022

AHMEDABAD RING ROAD INFRASTRUCTURE LTD. AHMEDABAD

Ahmedabad Ring Road Infrastructure Limited
Statement of Changes in Equity for the year ended March 31, 2022

A Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	No of Shares.	Amount (INR in Million)
Balance at the beginning of the year	**1 04 60 000**	**104.60**
Changes in the equity share capital during the year due to prior period errors	-	-
Restated Balance at the beginning of the year	1 04 60 000	104.60
Changes in the equity share capital during the year	-	-
Balance at the end of the year	**1 04 60 000**	**104.60**

B Other Equity

Particulars	Reserves and Surplus		Total Other Equity attributable to Equity Holders of the Company
	Retained Earning	Securities Premium Reserve	
	(INR in Million)	(INR in Million)	(INR in Million)
As at March 31, 2020	52.58	416.40	468.98
Profit for the year	353.19	-	353.19
Other comprehensive income for the year	0.69	-	0.69
As at March 31, 2021	406.45	416.40	822.85
Profit for the year	86.76	-	86.76
Other comprehensive income for the year	0.40	-	0.40
As at March 31, 2022	**493.59**	**416.40**	**909.99**

As per our report of even date
For S G D G & Associates LLP
Chartered Accountants
ICAI Firm Registration No. W100188

(Devansh Gandhi)
Partner
Membership No. 129255

S G D G & ASSOCIATES LLP AHMEDABAD

Place: Ahmedabad
Date: May 26, 2022

For & on behalf of the Board of Directors of
Ahmedabad Ring Road Infrastructure Limited

(Mahendrasinh Chavda)
Managing Director
DIN: 02607067

(Kalpesh Shah)
Director
DIN: 01139469

(Hitesh Chelani)
Chief Financial Officer

Place: Ahmedabad
Date: May 26, 2022

AHMEDABAD RING ROAD INFRASTRUCTURE LTD. AHMEDABAD

1. Company information:

Ahmedabad Ring Road Infrastructure Limited ("the Company") is a private limited company domiciled in India and is incorporated under the provisions of the Companies Act. It is wholly owned subsidiary of Sadbhav Infrastructure Project Limited which is listed on two stock exchanges in India. The registered office of the company is located at Ellisbridge, Ahmedabad-380006.

The Company was incorporated as a Special Purpose Vehicle (SPV) in August, 2006, for the purpose of Improvement and widening to Four lane of 2 Lanes Sardar Patel Ring Road around Ahmedabad city 76 kms in the state of Gujarat on Built, Operate and Transfer (BOT) basis. The Concession period is of 20 years including construction period of 18 months. The Company obtained completion certificate on 30th June, 2018 from the AUDA. As per CA, the company is entitled to charge users of the public service; hence the service arrangement has been classified as Intangible Asset.

The financial statements were authorized for issue in accordance with a resolution of the directors on May 26, 2022.

2. Basis of preparation and presentation of financial statement:

(a.) Compliance with IND AS:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and relevant amendment rules issued thereafter.

The company has applied the applicable standards and/or amendments to existing standards effective from April 1, 2021 in the preparation and presentation of financial statements for the year ending on March 31, 2022.

Most of the amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b.) Basis of Presentation:

The Balance Sheet, the Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

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

(c.) Basis of Measurement:

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

(d.) Use of estimates and judgements:

The preparation of these financial statements is in conformity with IND AS which requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialize. Estimates include the useful lives of property

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plant and equipment and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, provisions for major maintenance expenses, provision for premium obligations, provision for incomplete work, fair value measurement etc. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

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 realised or intended to be sold or consumed in the normal operating cycle;
•expected to be realised 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;
•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.

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 Arrangements

Toll collection rights

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

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

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Agreement. The economics of the project is for the entire length of the road / infrastructure as per the bidding submitted.

Amortization of Toll collection rights

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

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

3.3 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost comprise the purchase price, borrowing costs if the recognition criteria are met and directly attributable cost of bringing the assets to its working condition for its intended use. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives.

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

Derecognition

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

Depreciation

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

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

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

3.4 Intangible assets:

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

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

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Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

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

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

Amortization

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

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

3.5 Impairment – Non-financial assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognised in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.
The Company bases its impairment calculation on detailed budgets and forecasts calculation. These budgets and forecasts calculations generally covering a period of the concession agreements using long terms growth rates applied to future cash flows.

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

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3.6 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 Group expects to be entitled in exchange for those goods or services. The specific recognition criteria described below must also be met before revenue is recognized. The company has concluded that it is principal in its revenue arrangements because its typically controls services before transferring them to the customer.

i. Toll operation services

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

ii. Construction services

Revenue from construction services is recognised 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 recognised on the basis of cost incurred to satisfaction of a performance obligation relative to the total expected cost to the satisfaction of that performance obligation. If the outcome of a performance obligation satisfied over time cannot be reasonably measured, revenue is calculated using the zero-profit method in the amount of the contract costs incurred and probably recoverable.

Contract Balances

Contract Assets

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

Contract Liabilities

A contract liability is 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).

3.7 Other Income

Gain or loss on sale of Mutual Fund

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

Interest

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

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Dividend

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

3.8 Investment Property

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

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

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

3.9 Borrowing costs

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

3.10 Leases

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

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company 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.

3.11 Financial Instruments

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

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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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e. the date that the Company commits to purchase or sell the asset.

ii. Subsequent measurement of financial assets

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

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

- **Financial assets at amortized cost :**

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

- **Debt instruments at amortized cost**

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

- **Financial assets at fair value through other comprehensive income:**

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, 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. Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

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

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as at FVTPL.

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.

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

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

iv. Impairment of financial assets

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

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

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

b) Financial Liabilities

i. Initial recognition and measurement of financial liabilities

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

All financial liabilities are recognised initially at fair value. All financial liabilities are recognised initially at fair value and, in the case of loan and borrowings and payable, net of directly attributable transaction costs.

ii. Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:
- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)

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

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

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

- **Financial Liabilities at amortised cost (Loans and Borrowings)**

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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Amortised 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 amortisation is included as finance costs in the statement of profit and loss.This category generally applies to borrowings.

- **Equity component of Compound financial instruments**

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

iii. Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.12 Fair Value Measurement

The company measures financial instruments such as derivatives and Investment in Mutual Fund 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.

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:

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

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

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

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortized cost)

3.13 Employee Benefits

a) Short Term Employee Benefits

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

b) Post-Employment Benefits

(i) Defined contribution plan

The Company's approved provident fund scheme is defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's gratuity fund scheme is Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit

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Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on the net basis.

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

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

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

c) **Other Employment benefits**

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

3.14 Income tax

Income tax expense comprises current tax and deferred tax.

Current Tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current income tax are recognised 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 recognised 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 recognised 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

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which those temporary differences, losses and tax credit can be utilized except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

As per provision of Income tax Act 1961, the Company is eligible for a tax holiday under section 80IA for a block of 10 consecutive assessment year out of 20 year beginning of toll operation. The current year is fourteen year of company's operation and it propose to start claiming tax holiday in the subsequent year only. No deferred tax (assets or liabilities) is recognized in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing difference which is reverse after the tax holiday period is recognised in the year in which the timing difference orginate. However, the company restricts recognition of deferred tax assets to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. For recognition of deferred tax, the timing difference which orginate 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 assets and deferred tax liabilities are offset, where company has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.15 Provisions

General

Provision is 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. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

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 recognised as a finance cost. Provision are reviewed at each balance sheet and adjusted to reflect the current best estimates.

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

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

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recognised in the statement of profit and loss as a finance cost. The estimated future costs of such obligation are reviewed annually and adjusted as appropriate.

3.16 Contingent liabilities and assets

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.

Claims against the Company not acknowledged as debts are disclosed under contingent liabilities. Claims made by the company are recognised as and when the same is approved by the respective authorities with whom the claim is lodged.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only be occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. The company does not recognize a contingent asset in the financial statements.

3.17 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with on 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.

3.18 Earnings/(Loss) per share

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

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

3.19 Segment reporting

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

3.20 Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

4. A.) Significant accounting judgements, 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

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result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(i) 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.

(ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(iii) Taxes

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

(iv) Impairment of non-financial assets

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

(v) Intangible Assets

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

(vi) Provision for periodical Major Maintenance

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

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(vii) Revenue from contract with customers

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

New Standards, Interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended March 31, 2022, except for amendments to the existing Indian Accounting Standards (Ind AS). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The company applies, for the accounting periods beginning on or after 1 April 2021, that do not have material impact on the financial statements of the company.

i. Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116 The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients: A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component The Company intends to use the practical expedients in future periods if they become applicable.

ii. Conceptual framework for financial reporting under Ind AS issued by ICAI The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standardsetters. While the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas those are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards. The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc. The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

iii. Ind AS 116: COVID-19 related rent concessions MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021.

iv. Amendment to Ind AS 105, Ind AS 16 and Ind AS 28 The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

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Standards notified but not yet effective The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2022 on 23rd March 2022. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended the following standards:

1. Ind AS 101 - First-time adoption of Ind AS
2. Ind AS 103 – Business Combinations
3. Ind AS 109 – Financial Instruments
4. Ind AS 16 – Property, Plant and Equipment
5. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
6. Ind AS 41 – Agriculture

These amendments shall come into force with effect from April 01, 2022. The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.

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Notes to Financial Statements for the year ended March 31, 2022

5 Property, Plant and Equipments

(INR in Million)

Particulars	Plant and Equipments	Computers	Furniture & Fixtures	Vehicles	Office Equipments	Total Tangible Assets
As at 01/04/2020	**74.57**	**3.53**	**1.15**	**10.50**	**1.04**	**90.77**
Addition	5.60	2.97	-	-	0.96	9.53
Disposal	-	-	-	-	-	-
Adjustment during the year	-	-	-	-	-	-
As at 31/03/2021	**80.17**	**6.50**	**1.15**	**10.50**	**2.00**	**100.30**
Addition	0.07	0.06	-	1.78	-	1.90
Disposal	-	-	-	-	-	-
Adjustment during the year	-	-	-	-	-	-
As at 31/03/2022	**80.24**	**6.55**	**1.15**	**12.28**	**2.00**	**102.20**
Accumulated Depreciation						
As at 01/04/2020	**58.27**	**2.58**	**0.89**	**7.99**	**0.72**	**70.45**
Charge for the year	5.11	1.27	0.03	0.62	0.38	**7.41**
Disposal	-	-	-	-	-	-
Adjustment during the year	-	-	-	-	-	-
As at 31/03/2021	**63.38**	**3.85**	**0.92**	**8.61**	**1.10**	**77.86**
Charge for the year	5.75	0.88	0.02	0.94	0.38	**7.98**
Disposal	-	-	-	-	-	-
Adjustment during the year	-	-	-	-	-	-
As at 31/03/2022	**69.13**	**4.73**	**0.94**	**9.56**	**1.48**	**85.84**
Net Carrying Amount						
As at 31/03/2021	**16.78**	**2.65**	**0.23**	**1.88**	**0.91**	**22.44**
As at 31/03/2022	**11.11**	**1.82**	**0.21**	**2.72**	**0.52**	**16.36**

1 The aggregate depreciation has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

2 Property Plant and Equipments have been pledged against Secured borrowings in order to fulfill the collateral requirement for the Lenders. (Refer Note 17)

6 Investment Property

(INR in Million)

Particulars	Land	Total
Gross Carrying Amount		
As at 01/04/2020	**2.15**	**2.15**
Addition	-	-
Adjustment during the year	-	-
As at 31/03/2021	**2.15**	**2.15**
Addition	-	-
Adjustment during the year	-	-
As at 31/03/2022	**2.15**	**2.15**
Net Carrying Amount		
As at 31/03/2021	**2.15**	**2.15**
As at 31/03/2022	**2.15**	**2.15**

Note:

1 There is no income arising from above investment properties. Further, the company has not incurred any expenditure for above properties.

2 The above lands are situated at (i) Kadi District, Gujarat & (ii) Chennai which are mortgaged against Secured borrowings.

3 The Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

4 Investment property has been mortgaged against Secured borrowings (refer note 17) in order to fulfill the collateral requirement of the Lenders.

5 The fair value disclosure for investment property is not presented as the property is specifically acquired for offering as security for borrowings and based on the information available with the management that there are no material development in the area where land is situated and accordingly, management believes that there is no material difference in fair value and carrying value of property.

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Notes to Financial Statements for the year ended March 31, 2022

7 Intangible Assets

(INR in Million)

Particulars	Computer Software	Toll Plaza Booth Work	Four Lane	Two Lane	Total Intangible Assets
Gross Carrying Amount					
As at 01/04/2020	**1.32**	**80.20**	**2,164.36**	**2,114.35**	**4,360.23**
Addition	-	-	-	-	-
Adjustment during the year	-	-	-	-	-
As at 31/03/2021	**1.32**	**80.20**	**2,164.36**	**2,114.35**	**4,360.23**
Addition	-	-	-	-	-
Adjustment during the year	-	-	-	-	-
As at 31/03/2022	**1.32**	**80.20**	**2,164.36**	**2,114.35**	**4,360.23**
Accumulated Amortisation					
As at 01/04/2020	**1.23**	**25.82**	**881.76**	**869.01**	**1,777.80**
Charge for the year	0.02	5.43	128.11	124.41	257.97
Disposal	-	-	-	-	-
Adjustment during the year	-	-	-	-	-
As at 31/03/2021	**1.25**	**31.25**	**1,009.86**	**993.41**	**2,035.77**
Charge for the year	0.01	9.14	215.47	209.24	433.85
Disposal	-	-	-	-	-
Adjustment during the year	-	-	-	-	-
As at 31/03/2022	**1.26**	**40.39**	**1,225.33**	**1,202.65**	**2,469.62**
Net Carrying Amount					
As at 31/03/2021	**0.07**	**48.95**	**1,154.50**	**1,120.95**	**2,324.44**
As at 31/03/2022	**0.06**	**39.81**	**939.03**	**911.70**	**1,890.61**

Note:

1. Toll collection rights of four laning of Ahmedabad Ring Road Infrastructure Project Limited around the municipal limit of Ahmedabad City were capitalised when the project was complete in all respects and when the Company received the completion certificate from the authority as specified in the Concession Agreement and not on completion of component basis as the intended purpose of the project is to have the complete length of the road available for use. Refer Note 32 for detail additional disclosure under Service Concession Arrangement.
2. The aggregate amortisation has been included under depreciation and amortisation expense in the Statement of Profit and Loss.
3. Toll collection right has been pledged against Non-current borrowings in order to fulfill the collateral requirement of the Lenders.
4. Refer Note 32 For Disclosure pursuant to Appendix - E to Ind AS 115 (Revenue from Contracts with Customer) - Service Concession Arrangements ('SCA').
5. The remaining amortisation period for the Toll collection rights at the end of the reporting period is 5.76 years (March 31, 2021: 6.76 years).

8 Other Financial Assets

Non Current Financial Assets

Particulars		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Security Deposits		0.02	0.02
Fixed Deposit (FD) - Punjab National Bank (PNB)		1.00	1.00
	Total	**1.02**	**1.02**

Current Financial Assets

Particulars		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Grant Receivable - AUDA		-	64.24
Receivable from Auda - Toll Suspension		41.01	41.01
Fixed Deposit		0.10	-
Receivable from Auda - Car Exemption		537.91	11.94
Interest recoverable		8.43	9.35
Interest accrued on Fixed Deposit		0.29	0.23
Reimbursement Expense		-	0.20
Staff Advances		0.43	0.45
	Total	**588.17**	**127.44**

Note:
1. Fair value disclosures for financial assets are given in Note 39.
2. Other Receivables from AUDA:
(i) Due to Demonetisation:
Pursuant to demonetisation, concessioning authorities had announced suspension of toll collection at all roads from November 09, 2016 until December 02, 2016. based on subsequent notification and provisions of concession agreement with the relevant authorities, the company had claimed and recognised revenue of 41.01 million during the year 2016-17. The claim amount is still receivable from the AUDA.

(ii) Grant :
As per the concession agreement dated 7th September 2006, the Company is entitled to receive amount of grant INR 64.24 Million from AUDA. The Company has requested AUDA to adjust of INR 36.77 Million payable in respect of toll collected during construction period without approval from AUDA. The company is following up the matter with AUDA. Since the matter is in dispute the company has not adjusted the same and continue to disclose the same as receivable in the financial statement.

9 Other Assets

Non-Current Assets

Particulars		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Tax Credit Receivable		4.91	4.76
	Total	**4.91**	**4.76**

Current Assets

Particulars		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Prepaid Expenses		4.54	4.87
Advance to Vendor		23.15	15.99
	Total	**27.69**	**20.86**

10 Investments

Investments in Mutual Funds

Particulars		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Unquoted Investments			
- Mutual Funds		-	15.02
	Total	**-**	**15.02**

Aggregate amount of Unquoted Investments	-	15.02
Fair value disclosures for financial assets are given in Note 39		-

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The balances held in liquid mutual funds as at March 31,2022 and as at March 31, 2021 are as follows:

Particulars	Units	(INR in Million)
As at March 31, 2022		
Aditya Birla Sun Life Cash Manager - Growth	-	-
As at March 31, 2021		
Aditya Birla Sun Life Cash Manager - Growth	45,316.90	15.02

11 Trade Receivables

Particulars	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Trade Receivables Considered Good - UnSecured	9.51	8.82
Trade Receivables Considered Doubtful - UnSecured	-	-
Trade Receivables having Significant Increase in Credit Risk	-	-
Trade Receivables - Credit Inpaired	-	-
Less : Provision for Bad and Doubtful Debt	-	-
Total	**9.51**	**8.82**

As at March 31, 2022

Sr No	Particulars	Outstanding for following periods from due date of Payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	Trade Receivables Considered Good - UnSecured	-	9.45	0.06	-	-	**9.51**
2	Trade Receivables Considered Doubtful - UnSecured	-	-	-	-	-	-
	Total	-	**9.45**	**0.06**	-	-	**9.51**

As at March 31, 2021

Sr No	Particulars	Outstanding for following periods from due date of Payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	Trade Receivables Considered Good - UnSecured	-	8.26	0.56	-	0.01	**8.82**
2	Trade Receivables Considered Doubtful - UnSecured	-	-	-	-	-	-
	Total	-	**8.26**	**0.56**	-	**0.01**	**8.82**

12 Cash and Cash Equivalents

Particulars	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Cash in Hand	6.44	5.50
Balances with Banks		
- Balances in Current Accounts	12.43	34.51
Total	**18.87**	**40.01**

Note: Balance with banks includes balance of INR 10.72 Millions (March 31, 2021: INR 24.88 Millions) lying in the Escrow Accounts, as per terms of borrowings with the lenders.

13 Loans & Advances
Loan to Related Parties

Particulars	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Loans Receivables considered good - Unsecured (Refer Note 33)*	-	60.93
Total	-	**60.93**

*** (i)** Loan given to holding company is recoverable on demand / call notice.

14 Current Tax Assets (Net)

	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
TDS Receivable	22.16	-
Current Tax Liabilities	(21.72)	-
Total	**0.43**	-

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15 Equity Share Capital

	March 31, 2022		March 31, 2021	
	No. of shares	(INR in Million)	No. of shares	(INR in Million)
Authorized Share Capital				
Equity Shares of INR 10 each	1,05,00,000	105.00	1,05,00,000.00	105.00
	1,05,00,000	**105.00**	**1,05,00,000**	**105.00**
Issued, Subscribed and fully paid up				
Equity Shares of INR 10 each	1,04,60,000	104.60	1,04,60,000.00	104.60
	1,04,60,000	**104.60**	**1,04,60,000**	**104.60**

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

Particulars	March 31, 2022		March 31, 2021	
	No. of shares	(INR in Million)	No. of shares	(INR in Million)
At the beginning of the year	1,04,60,000	104.60	1,04,60,000	104.60
Change during the year	-	-	-	-
Outstanding at the end of the year	**1,04,60,000**	**104.60**	**1,04,60,000**	**104.60**

(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 INR 10/- each. Each shareholder is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Share held by holding Company:

Out of issued, subscribed and paid up equity share capital, 1,04,60,000 Shares (March 31, 2021: 1,04,60,000 Shares) are held by Sadbhav Infrastructure Project Limited - Holding Company & its nominees.

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

Particulars	March 31, 2022		March 31, 2021	
	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 (SIPL) *	1,04,60,000	100	1,04,60,000	100
Total	1,04,60,000	100	1,04,60,000	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.

(e) Shareholding of Promotors

Name of Promoter	No of Shares	% of Total Share	% Change During Period
As at March 31,2022			
Sadbhav Infrastructure Project Limited and its nominees	1,04,60,000	100.00%	0.00%
Total	**1,04,60,000**	**100%**	**0%**
As at March 31,2021			
Sadbhav Infrastructure Project Limited and its nominees	1,04,60,000	100.00%	0.00%
Total	**1,04,60,000**	**100%**	**0%**

16 Other Equity

	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Securities Premium Reserve		
Balance as per last financial statements	416.40	416.40
Change during the year		-
Balance at the end of the year	**416.40**	**416.40**
Retained Earning*		
Balance as per last financial statements	406.43	52.58
Add: Profit for the year	86.75	353.19
Add/(Less): OCI for the year	0.40	0.69
Balance at the end of the year	**493.59**	**406.45**
Total	**909.99**	**822.85**

* Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

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17 Non-Current Borrowings

		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Secured Borrowings			
Borrowings From Banks			
- First Ranking		287.65	753.08
- Second Ranking		65.00	325.00
ICICI Bank Car Loan		1.37	-
Less: Unamorized Processing Fees		(4.40)	(10.62)
	Total (A)	**349.61**	**1,067.45**
Less: Current Maturities of Long Term Debt*			
- First Ranking		240.57	527.56
- Second Ranking		64.48	258.85
	Total (B)	**305.05**	**786.41**
	Total Non-Current Borrowing (A - B)	**44.56**	**281.04**

* Includes the Effect of Transaction Cost paid on Upfront Basis

(i) Security Details :-

(a) In respect of First Ranking Rupee Loan :

The First Ranking Rupee Loans together with interest, additional interest, default interest, prepayment premium, costs, charges, expenses and other monies whatsoever stipulated and due to the First Ranking Lenders are secured by :

- a first ranking pari passu mortgage/ charge over all the Company's' immovable assets and on all movable assets (including but not limited to all current / non-current assets, goodwill, uncalled capital but excluding Project Assets) both present and future;
- a first ranking pari passu charge over all Fees, revenues and receivables (including the book debts, commissions, operating cash flows) of the Company from the Project or otherwise;
- a first ranking pari passu charge over/ assignment of all the rights, titles and interests of the Company in, to and in respect of all Project Documents, all guarantees, performance guarantees or bonds, letters of credit, liquidated damages that may be provided by any party to any Project Document in favour of the Company and Clearances (to the extent permitted) and all rights, titles, approvals, permits, clearances and interests and the Company's right, title, interest, benefit and claim in, to or under the Project Documents and Clearances;
- assignment of all the Company's right, title, interest, benefit and claim of the Company in, to or under the Insurance Contracts, insurance policies and the Insurance Proceeds;
- a first ranking pari passu charge over all bank accounts of the Company including without limitation, the Escrow Account (or any account in substitution thereof) and the Debt Service Reserve Account in all funds from time to time deposited therein and in all Permitted Investments or other securities representing all amounts credited to the Escrow Account and the Debt Service Reserve Account and any other bank accounts of the Company established pursuant to the Project Documents or otherwise;
- a pledge of 30% of the equity share capital held by Sadbhav Infrastructure Project Limited ("Sponsors") in the share capital of the Company;
- An irrevocable corporate guarantee from the Sponsors in favour of the Security Trustee, for the benefit of Senior Lenders, to cover any shortfall in the amount payable in respect of the Rupee Loan in the event of termination on any account as per the terms of the Concession Agreement.

(b) In respect of Second Ranking Rupee Loan

The Second Ranking Rupee Loan together with interest, additional interest, default interest, prepayment premium, costs, charges, expenses and other monies whatsoever stipulated and due to the Second Ranking Lenders are secured by way of a second ranking charge on the Security Interest stipulated in 1 to 7 in para (i) above to be created in favour of the Security Trustee for the benefits of the Second Ranking Lenders.

(ii) Terms of Repayment of Term Loans:

(a) First Ranking Rupee Loan

The First Ranking Rupee Loan is repayable to each lender in 50 structured quarterly installments commencing from August 31, 2009. As per repayment schedule of the loan agreement, the principal amount outstanding under the said agreement shall be repaid by November 30, 2021. Due to Moratorium on account of Covid-19, as per the revised repayment schedule the said loan shall be repaid by May 31, 2022.

The loans carry average interest rate of 8.60 per cent to 11.70 per cent per annum.

(b) Second Ranking Rupee Loan

The Second Ranking Rupee Loan is repayable to the lender in 52 structured quarterly installments commencing from August 31, 2011. As per repayment schedule of the loan agreement, all the principal amount outstanding under the said agreement shall be repaid by May 31, 2024. Due to Moratorium on account of Covid-19, as per the revised repayment schedule the said loan shall be repaid by November 30, 2024.

The loans carry average interest rate of 11.60 per cent per annum.

(c) The ICICI Bank Car Loan is repayable to the lender in 45 structured quarterly installments commencing from June 01, 2021. As per repayment schedule of the loan agreement, all the principal amount outstanding under the said agreement shall be repaid by April 01, 2025.

The loans carry average interest rate of 7.80 per cent per annum.

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Notes to Financial Statements for the year ended March 31, 2022

18 Current Borrowings

		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Current Maturities of Secured Long-term Borrowings		305.05	786.41
	Total	**305.05**	**786.41**

19 Provisions

		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Non-Current			
For Employee Benefits			
- Provision for Gratuity		4.40	4.26
	Total	**4.40**	**4.26**
Current			
For Periodic Major Maintenance (Refer Note 31)		335.27	283.09
For Employee Benefits			
- Provision for Gratuity		1.10	0.55
- Provision for Leave Encashment & Bonus		1.20	0.29
	Total	**337.57**	**283.93**

20 Deferred Tax Liabilities (Net)

		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Deferred Tax Liabilities (Net of Deferred Tax Assets)		194.78	178.93
	Total	**194.78**	**178.93**

21 Trade Payables

		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Dues to Micro & Small Enterprises (Refer Note 38)		-	-
Dues to Related Parties (Refer Note 33)		11.52	56.82
Dues to Others		567.60	9.51
	Total	**579.12**	**66.33**

As at March 31, 2022

Sr No	Particulars	Outstanding for following periods from due date of Payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	-	527.90	15.06	-	0.02	**542.98**
3	Others-Related Parties	-	36.13	-	-	-	**36.13**
4	Disputed dues - MSME	-	-	-	-	-	-
5	Disputed dues - Others	-	-	-	-	-	-
	Total	-	**564.03**	**15.06**	-	**0.02**	**579.11**

As at March 31, 2021

Sr No	Particulars	Outstanding for following periods from due date of Payment					Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	-	62.05	4.27	0.02	-	**66.33**
3	Others-Related Parties	-	-	-	-	-	-
4	Disputed dues - MSME	-	-	-	-	-	-
5	Disputed dues - Others	-	-	-	-	-	-
	Total	-	**62.05**	**4.27**	**0.02**	-	**66.33**

22 Other Current Financial Liabilities

		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Payable to AUDA - Claim		-	36.78
Interest accrued and due on borrowings		1.47	5.48
Toll Levy Fees Payable - AUDA		51.12	39.85
Employee benefits payable		4.53	3.14
Security & Other Deposits from Sub - Contractor & Others		10.81	8.55
	Total	**67.92**	**93.80**

23 Other Current Liabilities

		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Statutory dues		11.25	4.79
Advertisement income received in advance		-	0.59
Unearned Revenue (Monthly Pass Income)		0.48	0.38
	Total	**11.73**	**5.76**

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24 Revenue From Operations

		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Revenue from Toll Collection (Refer note below)		1,127.07	1,050.45
Advertisement Income		26.36	20.11
	Total	1,153.44	1,070.56

Note:
Ahmedabad Urban Development Authority (AUDA), has vide resolution passed by its board of directors in the meeting held on 9th October 2017, exempted Light Motor Vehicles (Four Wheelers) from payment of toll, w.e.f October 10, 2017. However the AUDA has not prepared any policy or modalities by which the company will be reimbursed for the losses due to said exemption. Pending the announcement by the AUDA of its policy/modalities for reimbursement of losses, the Company has recognised revenue of toll collection of INR 1101.65 Millions for the year ended March 31, 2022 (March 31, 2021 : INR 65.14 Millions) based on the actual average daily traffic of Light Motor Vehicles (Four Wheelers) during April 2017 to September 2017.

Disaggregation of Revenue	June 30, 2021 INR in Million	March 31, 2021 INR in Million
Revenue from Operation & Maintenance Services	1,127.07	1,050.45
Revenue from Advertisement Services	26.36	20.11
	1,153.44	**1,070.56**

24.1 Changes in amount of Contract Liabilities are as follows:	June 30, 2021 INR in Million	March 31, 2021 INR in Million
Balance at the Beginning of the Year	0.38	0.21
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	-0.38	-0.21
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	0.48	0.38
Balance at the end of the year	**0.48**	**0.38**

24.2 Performance obligation:
The Company's Performance is in prespect of providing Maintenance Services of project Highway.

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

24.3 Reconciliation of the amount of revenue recorded in statement of Profit & loss is not required as there 'are no adjustment to the contracted price.

25 Other Income

		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Interest Income			
On Income Tax Refund		-	0.04
On Fixed Deposit		0.07	0.07
		0.07	**0.11**
Gain on sale of Investments (Net)			
Realized Gain		1.13	0.46
Unrealized Gain/(Loss)		(0.90)	0.48
		0.23	**0.94**
Sundry Balances Written Off		-	
Gratuity Trust Income		0.00	0.00
Other Income		0.13	0.26
	Total	**0.43**	**1.31**

26 Operating Expenses

		March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Toll Plaza & Road Operation - Maintenance Expenses(refer Note 33)		35.47	35.90
Major Maintenance Expenses		299.50	-
AUDA - Toll Collection levy Fees		21.27	10.51
Power and Fuel		7.11	6.64
Printing and Stationery		0.15	0.11
Manpower O&M		69.64	73.74
Advertisement Expenses		1.05	0.72
Repairs and Maintenance			
- Toll Plaza & Other Equipments		7.53	9.85
- Site Vehicles		1.02	0.84
	Total	**442.74**	**138.33**

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27 Employee Benefits Expenses

	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Salaries, Wages & Other Allowances (refer note 33)	37.28	25.01
Contribution to Provident Fund and Other Fund	1.28	1.44
Gratuity Expenses	1.14	1.00
Staff Welfare Expenses	1.53	1.07
Total	**41.22**	**28.52**

28 Finance Cost

	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Interest Expenses		
- Term loans from Banks	71.49	126.45
- Interest on delayed payment of Statutory Dues	-	9.11
	71.49	**135.55**
Unwinding of Discount on Provision		
- Notional Interest on Major Maintenance Reserve (Refer Note No.31)	29.56	-
Other Borrowing Costs		
- Bank and Other Charges	0.25	0.75
- Amortisation of Processing Fees	6.22	3.59
	6.47	**4.34**
Total	**107.52**	**139.90**

29 Other Expenses

	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Rent (refer note 33)	0.14	2.07
Rates & Taxes	0.01	0.02
Insurance	6.06	4.29
Professional & Legal Fees	2.83	1.79
Telephone and Postage	1.09	1.71
Travelling and Conveyance	0.21	0.23
Printing and Stationery	0.26	0.13
Auditor's Remuneration (refer note no.29.1)	0.40	0.42
Cash Collection Charges	1.82	1.75
Donation	0.50	-
Corporate Social Responsibility Expense (refer note 29.2)	6.22	3.89
Bad Debt	-	0.00
Miscellaneous expenses	0.88	1.74
Total	**20.43**	**18.03**

29.1 Auditor's Remuneration

	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
- Statutory Audit Fees	0.40	0.40
- Certification Fees	0.00	0.02
Total	**0.41**	**0.42**

29.2 Corporate Social Responsibility

Details of Corporate social responsibility expenditure

Particulars	March 31, 2022 INR in Million	March 31, 2021 INR in Million
A. Opening carry forwarded Amount	-	-
B. Gross amount required to be spent by the Company	0.50	-
C. Amount spent during the year		
(i) Construction/acqisition of any assets	-	-
(ii) For purpose other than (i) above	0.50	-
D. Amount carry forwarded to next year	-	-
Unspent CSR amount	-	-

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30 Earning Per Share (EPS):

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

	Unit	March 31, 2022	March 31, 2021
Net Profit attributable to equity holders:	INR in Million	86.76	353.19
Total no. of equity shares at the end of the year	Nos.	1,04,60,000	1,04,60,000
Weighted average number of equity shares for basic and diluted EPS	Nos.	1,04,60,000	1,04,60,000
Nominal value of equity shares	INR	10	10
Basic and Diluted earning per share	INR	**8.29**	**33.77**

31 Movement in Provisions:

Major Maintenance Reserve (Refer Note 18, 26 & 28)	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Carrying amount	283.09	553.28
Add: Provision made during the year	299.50	-
Add: Increase during the year in the discounted amount due to passage of time	29.56	-
Less: Actual Major Maintenance Expenses	283.09	270.19
Carrying amount as at 31.03.2022	**329.05**	**283.09**
Expected time of outflow	F.Y. 2024 - 2025	

Nature of Provision:
Major Maintenance Provision

The company is required to operate and maintain the project highway during the entire concession period and hand over the project back to the Authority (AUDA) as per the maintenance standards prescribed in Concession agreement.

For this purpose, a regular maintenance along with periodic maintenance is required to be performed. Normally periodic maintenance includes resurface of pavements, repairs of structures, repairs and refurbishment of tolling system and other Equipments.

As per the industry practices and on the grounds of matching concept, based on estimates, a provision for major maintenance expenses is provided for in the books annually. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period.

During the current year company has provided INR 329.05 Millions (Previous Year : INR Nil Millions) for periodic Major Maintenance in respect of its resurfacing obligation, which includes finance cost component on Major Maintenance of INR 29.56 Millions (Previous Year : INR Nil Millions).

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32 Disclosure pursuant to Ind AS 115 - "Revenue from Contracts with Customer" :- Appendix - "E" - "Service Concession Arrangements (SCA) "

32.1 Description and classification of the arrangement

The Company has entered into Concession Agreement ('CA') with Ahmedabad Urban Development Authority (AUDA) dated September 07, 2006 for the purpose of Improvement and widening to four Lane of two Lane Sardar Patel Ring Road around Ahmedabad city 76 Kms in the state of Gujarat on Built, Operate and Transfer (BOT) basis. The Concession Period is of 20 years including construction period of 18 months. The Company obtained completion certificate on 30th June 2008 from the AUDA. As per the CA, the company is entitled to charge users of the public service, hence the service arrangement has been classified as Intangible Asset.

32.2 Significant Terms of the arrangements

32.2.1 Revision of Fees:

Fees shall be revised annually from the "Commercial Operation Date" (COD) to the end of concession period as per the Revised Fee Notification issued by AUDA.

32.2.2 Modification of Concession Period:

The Concession period shall be modified:

AUDA shall issue to the company a notice of change of scope under the clause 16.2(a) in relation to additional works and services referred to in clause 16.1 of the CA. AUDA shall pay to the company an amount equal to the costs or extend the concession period suitably on the basis of recommendation by the Independent Consultant to be reasonable with final adjustments to be made in accordance with the resolution of dispute under the Dispute Resolution Procedure.

If, due to change in the law, company suffers an increase in cost or reduction in net after-tax return or the other financial burden subject to the limits specified in the SCA, the SCA shall be modified in such a way that it nullifies such impact of cost increase, reduction in return or other financial burden. However if no such modification is done, Company may require by notice to the authority to pay an amount that would place the company in the same financial position that it would have enjoyed, had there been no such change in the law. Any dispute in the said procedure shall be settled in accordance with the Dispute Resolution Procedure. Opposite will be the case, in case of reduction in cost.

32.3 Rights of the Company to use Project Highway

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

b Right of Way, access and license to the Site.

32.4 Obligation of the Company

The company shall not assign, transfer or sublet or create any lien or Encumbrance on the CA, or the Concession granted or on the whole or any part of the Project Highway nor transfer, lease or part possession thereof, save and except as expressly permitted by CA or the Substitution Agreement. The project highway means site comprising the existing road of 76 Kms and all Project asset, and its subsequent development and augmentation in accordance with the CA.

The company is under obligation to carry out the routine and periodic maintenance of Project Highway as per Schedule L of the CA.

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

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

32.6 Details of Termination

SCA can be terminated on account of default of the company or AUDA in the circumstances as specified under Schedule VII of the SCA.

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

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Notes to Financial Statements for the year ended March 31, 2022

33 Related Party Disclosures:

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

(I) Name of the related parties and description of relationship :

Sr. No	Description of Relationship	Name of the Related Party
(A)	**Enterprises having control:**	
	Ultimate Holding Company	Sadbhav Engineering Limited (SEL)
	Holding Company	Sadbhav Infrastructure Project Limited (SIPL)
(B)	**Key Managerial Personnel**	Mr. Mahendrasinh R. Chavda, Managing Director (w.e.f Dec 18, 2020)
		Mr. Kalpesh H. Shah, Director (w.e.f June 28, 2021)
		Mr. Arunbhai S. Patel, Independent Director
		Mr. Rajkumar S. Dhoot, Director (upto July 05, 2021)
		Mr. Shailesh Koshti, Company Secretary (upto January 07, 2022)

(II) Transactions with Related Parties during the year:

No.	Particulars	Note No.	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
(i)	Office Rent			
	- SEL	29	0.14	2.12
(ii)	Routine Road Maintenance Expenses			
	- SIPL	26	22.30	20.44
(iii)	Major Maintenance Expenses			
	- SIPL	26	214.87	220.00
	- SEL	26	490.00	-
(iv)	Unsecured Loan received			
	- SEL	18	-	25.00
(v)	Unsecured Loan repaid			
	- SEL	18	-	72.00
(vi)	Unsecured Loan Given			
	- SIPL	13	45.09	227.97
	- SEL		-	183.70
(vii)	Unsecured loan recovered			
	- SIPL	13	106.02	232.40
	- SEL		-	183.70
(ix)	Remuneration			
	- Mr. Vikram R. Patel	27	-	0.28
	- Mr. Mahendrasinh Chavda	27	1.40	-
	- Mr. Shailesh Koshti	27	0.48	0.63
(x)	Reimbursement of Expenses Payable/(Receivable)			
	- SIPL	27	2.23	4.43
	- SEL	26	5.04	0.57

(III) Balance outstanding as at the year end:

No.	Particulars	Note No.	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
(i)	Unsecured Loan recoverable			
	- SIPL	13	-	60.93
(ii)	Payable towards Operation and Maintenance, Project Consultancy and reimbursement of Expense (including Retention Money)			
	- SIPL	21	2.40	-
	- SEL	21	24.56	-
(iii)	Payable/(Receivable) towards reimbursement of expenses			
	- SEL	21	2.72	-
	- SIPL	8	0.23	(0.15)
(vii)	Remuneration payable			
	- Mr. Shailesh Koshti	22	-	0.23
	- Mr. Mahendrasinh Chavda	22	0.11	-

(IV) Terms and conditions:

(i.) 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 except short term loan and settlement occurs in cash as per the terms of the agreement.

(ii.) The Company has not provided any commitment to the related party as at March 31, 2022 and March 31, 2021.

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34 Employee Benefits Disclosure:

A Defined Contribution Plans:

Amount of INR 1.35 Millions (March 31, 2021: INR 1.45 Millions) is recognised as expenses and included in Note No. 27 "Employee Benefits Expenses.

	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Contribution to Provident Funds	1.18	1.29
Contribution to ESIC	0.15	0.15
Contribution to Employer Benevolent Fund Expense	0.01	0.01
Total	**1.35**	**1.45**

B Defined benefit plans - Gratuity benefit plan:

The Company has a Gratuity benefit plan. Every employee who has completed five years or more of service gets a gratuity on the termination of his employment at 15 days salary (last draw salary) for each completed year of service. The scheme is unfunded.

The present value of obligation in respect of gratuity is determined based on actuarial valuation using the Project Unit Credit Method as prescribed by the Indian Accounting Standard - 19. Gratuity has been recognised in the financial statements as per details given below:

Features of the defined benefit plan	Remarks
Benefit offered	15 / 26 × Salary × Duration of Service
Salary definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of Rs. 20,00,000 was applied
Vesting conditions	5 years of continuous service (Not applicable in case of death/disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	58 years or 31/12/2026 whichever is earlier

The company is responsible for the governance of the plan

Changes in Inter-Valuation Period:

The benefit scheme has changed since the last valuation. The benefit ceiling has changed from INR 10,00,000/- to 20,00,000/-. There are no special events such as benefit improvements or curtailments or settlements during the inter-valuation period.

Risk to the Plan

Following are the risk to which the plan exposes the entity :

Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cashflows.

Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

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Particulars	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Defined benefit obligations as at beginning of the year - A	**5.03**	**5.97**
Cost charged to statement of profit and loss		
Current service cost	0.84	0.64
Interest cost	0.31	0.37
Sub-total included in statement of profit and loss - B	**1.15**	**1.01**
Remeasurement gains/(losses) in other comprehensive income		
Actuarial Loss/(Gain) due to change in financial assumptions	(0.04)	0.02
Actuarial Loss/(Gain) due to change in demographic assumptions	-	-
Actuarial Loss/(Gain) due to experience	(0.45)	(0.71)
Benefits Paid	(0.11)	(1.26)
Sub-total included in OCI - C	**(0.60)**	**(1.95)**
Defined benefit obligations as at end of the year (A+B+C)	**5.58**	**5.03**

Reconciliation of Plan Asset

Particulars	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Plan Asset as at beginning of the year	0.11	0.11
Interest Income	0.00	0.00
Return on plan assets excluding amounts included in interest income	(0.09)	0.00
Contribution by Employer	-	-
Benefits paid	-	-
Plan Asset as at end of the year	**0.03**	**0.11**

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

	March 31, 2022	March 31, 2021
Discount rate	6.70%	6.50%
Salary Growth Rate	7.00%	7.00%
Withdrawal rate	15% at younger ages reducing to 3% at older ages	15% at younger ages reducing to 3% at older ages

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Sensitivity level	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Discount rate	0.50% increase	(0.11)	(0.10)
	0.50% decrease	0.11	0.12
Salary Growth Rate	0.50% increase	0.10	0.11
	0.50% decrease	(0.10)	(0.10)
Withdrawal rate	10% increase	0.01	0.00
	10% decrease	(0.01)	0.00

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of reporting period.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Since the obligation is unfunded, there is no Asset-Liability Matching strategy device for the plan. Accordingly, there is no expected contribution in the next annual reporting period.

Maturity Profile of the Defined Benefit Obligation

As at March 31, 2022	INR in Million	%
2023	0.57	5.50%
2024	0.61	8.70%
2025	0.34	4.90%
2026	0.52	7.50%
2027	3.34	47.60%
2028	1.81	25.80%

As at March 31, 2021	INR in Million	%
2022	0.62	9.20%
2023	0.35	5.30%
2024	0.57	8.50%
2025	0.31	4.70%
2026	0.48	7.20%
2027	4.34	65.10%

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The average duration of the defined benefit plan obligation at the end of the reporting period is 3.99 years (March 31, 2021: 4.44 years).

Other employee benefit:
Salaries, Wages and Bonus include INR 1.33 million (Previous Year INR 1.58 million) towards provision made as per actual basis in respect of accumulated leave encashment/compensated absences, Bonus and leave travel allowance.

35 Income Tax Expenses
The major component of income tax expenses for the year ended March 31, 2022 and March 31, 2021 are as under:

(A) Profit & Loss Section

	March 31, 2022 INR in Million	March 31, 2021 INR in Million
Current Tax		
Current tax charges for the year	21.72	-
	21.72	**-**
Deferred tax		
Deferred tax charges for the year	15.85	127.66
	15.85	**127.66**
Tax Adjustment of earlier period	-	**0.88**
Tax Expense reported in the Statement of Profit and Loss	**37.57**	**128.55**

(B) A Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	March 31, 2022 INR in Million	March 31, 2021 INR in Million
Book profit before tax	124.33	481.74
Statutory Income Tax Rate (MAT Rate)	17.47%	25.17%
Expected Income Tax Expenses	**21.72**	**121.25**
Tax Effect of adjustments to reconcile expected Income tax expenses to reported income tax expenses		-
Tax effect of Ind AS Transition Adjustment (1/5th for 5 Years)	-	5.86
Tax effect of losses for the earlier years	218.73	-
Tax effect of non deductible items	9.17	0.55
Tax effect of non taxable items	-	-
Tax effect of tangible assets	0.95	-
Tax effect of intangible assets	(213.00)	-
Earlier year tax adjustment	-	0.88
Income tax expenses as per normal tax rate	**37.57**	**128.55**
Consequent to reconciliation items shown above, the effective tax rate	**30.22%**	**26.69%**

(C) Deferred tax

Particulars	Balance sheet		Statement of Profit and Loss	
	March 31, 2022	March 31, 2021	2021-2022	2020-2021
Intangible Asset	(274.16)	(487.16)	(213.00)	(131.91)
Tangible Asset	3.07	4.04	0.98	0.58
Investment in mutual funds	0.16	0.12	(0.03)	(0.25)
Expenditure allowable on payment basis	63.29	72.46	9.17	90.33
Unused losses available for offsetting against future taxable income	12.87	231.60	218.73	168.90
Deferred tax expense/(income)	-	-	15.85	127.67
Net deferred tax assets/(liabilities) recognised	(194.78)	(178.93)		
Net deferred tax assets/(liabilities) not recognised	-	-		

Note:
1 The Company offsets tax assets and 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 tax authority.

36 Segment Reporting
The operating segment of the company is identified to be "BOT (Toll 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.
No customer individually accounted for more than 10% of the revenues in the year ended March 31, 2022 and March 31, 2021.

37 Operating Lease:
Office premises of the Company have been taken on operating lease basis. The lease rent during the year is INR 0.14 Million (March 31, 2021: INR 2.12 Million). These operating lease agreement are cancellable by giving short period notice by either of the parties to the agreement.

38 Due to MSME:
There are no Micro and Small Enterprises as defined in the Micro, small and and Medium enterprised development Act, 2006 to whom the Company owes dues, which are outstanding for more than 45 days at the balance sheet date. This is based on the information available with the Company.

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Notes to Financial Statements for the year ended March 31, 2022

39 Disclosure of Financial Instruments by Category

(INR in Million)

Financial instruments by categories	Note no.	31-Mar-22			31-Mar-21		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial Asset							
Grant Receivable from AUDA	8	-	-	-	-	-	64.24
Receivable from Auda - Car Exemption	8	-	-	537.91	-	-	11.94
Receivable from AUDA - Toll Suspension	8	-	-	41.01	-	-	41.01
Investments in Mutual Funds	10	-	-	-	15.02	-	-
Fixed Deposit	8	-	-	1.10	-	-	1.00
Interest recovarable	8	-	-	8.43	-	-	9.35
Interest accrued on Fixed Deposit	8	-	-	0.29	-	-	0.23
Cash on Hand	12	-	-	6.44	-	-	5.50
Balance with Banks	12	-	-	12.43	-	-	34.51
Deposits	8	-	-	0.02	-	-	0.02
Trade Receivables	11	-	-	9.51	-	-	8.82
Loan to Holding Company	13	-	-	-	-	-	60.93
Reimbursement Expense	8	-	-	-	-	-	0.20
Advance to Staff	8	-	-	0.43	-	-	0.45
Total Financial Assets		-	-	**617.56**	**15.02**	-	**238.20**
Financial Liability							
Rupee Term Loan	17	-	-	44.56	-	-	281.04
Current Borrowings	18	-	-	305.05	-	-	786.41
Payable to AUDA	22	-	-	-	-	-	36.78
Toll Levy Fees Payable - AUDA	22	-	-	51.12	-	-	39.85
Security & Other Deposits From Subcontractor	22	-	-	10.81	-	-	8.55
Trade Payables	21	-	-	579.12	-	-	66.33
Interest Accrued and Due / Accrued but not due	22	-	-	1.47	-	-	5.48
Employee Emoluments payable	22	-	-	4.53	-	-	3.14
Total Financial Liabilities		-	-	**996.65**	-	-	**1,227.60**

39 Default and breaches

a) There are no defaults with respect to payment of principal interest, sinking fund or redemption terms and no breaches of the terms and conditions of the loan.

b) There are no breaches during the year which permitted lender to demand accelerated payment.

c) Long term borrowings contain debt covenants relating to debt-equity ratio and debt service coverage ratio. The Company has satisfied all debts covenants prescribed in the terms of respective loan agreement as at reporting date.

40 Fair value disclosures for Financial Assets and Financial Liabilities

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

(INR in Million)

Particulars	Note No	31-Mar-22		31-Mar-21	
		Carrying Amount	Fair value	Carrying Amount	Fair value
Financial Assets					
Investments in Mutual Funds	10	-	-	15.02	15.02
Total		-	-	15.02	15.02

a) The management assessed that the fair values of Investment in mutual fund, cash and cash equivalents, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

b) The carrying value of Company's interest-bearing borrowings are reasonable approximations of fair values as the borrowing carry floating interest rate.

c) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

a) Investments in units of Mutual Funds which are not traded in active market is determined using closing NAV.

b) The Company has entered into derivative financial instruments with Bank. Interest rate swaps, option contract are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques includes forward pricing and swap models, using present value calculations. The modes incorporate various inputs including currency spot rate, risk free interest rate of respective currency, currency volatility and interest rate curves. The derivative instrument fair value is arrived using mark-to-market valuation as at March 31, 2022.

40.1 Fair value Hierarchy

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

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2022 and March 31, 2021.

(INR in Million)

Particulars	Note no.	Fair value measurement using Significant observable inputs (Level 2)	
		March 31, 2022	March 31, 2021
Assets measured at fair value			
Fair value through profit & loss			
Investments in Mutual Funds	10	-	15.02

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

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41 Financial Risk Management

The Company's principal financial liabilities comprise Borrowings, Trade payables & 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 Investments, Loan to Related Party, Cash and Bank balance, Trade Receivables & Other receivables that derive directly from its operations.

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

(a) Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Currency risk, Interest rate risk and Other price risk. Financial instruments affected by market risk include borrowings, Investments, other receivables and 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 analysis exclude the impact of movements in market variables on: the carrying values of gratuity and provisions.

The following assumption has been made in calculating the sensitivity analyses:
- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022 and March 31, 2021.

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 following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(INR in Million)

Particulars	31.03.2022	31.03.2021
Variable rate borrowings in INR	352.65	1078.08

Interest Rate Sensitivity
The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(INR in Million)

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	31.03.2022	31.03.2021
Interest rate increase by 25 basis point	(0.88)	(2.70)
Interest rate decrease by 25 basis point	0.88	2.70

(b) Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to credit risk from its operating activities as the company is collecting toll in cash and does not have outstanding any receivables. However, The Company is exposed to credit risk related to financing activities, including temporary Investment in mutual fund 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. Investments of surplus funds are made only in accordance with company policy. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the Balance sheet as of March 31, 2022 is INR Nil Million and March 31, 2021 is INR 15.02 Million.

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(c) Liquidity risk

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

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

The table below summerises the maturity profile of company's financial liabilities in contractual undiscounted payments

(INR in Million)

As at March 31, 2022	Total	On Demand	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability						
Rupee Term Loan - Bank*	354.02	-	354.02	-	-	-
Trade Payables	579.12	-	579.12	-	-	-
Other Financial Liabilities	67.92	-	67.92	-	-	-
	1,001.06	**-**	**1,001.06**	**-**	**-**	**-**

(INR in Million)

As at March 31, 2021	Total	On Demand	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability						
Rupee Term Loan - Bank*	1,078.08	-	790.00	288.08	-	-
Trade Payables	66.33	-	66.33	-	-	-
Other Financial Liabilities	93.80	-	93.80	-	-	-
	1,238.21	**-**	**950.13**	**288.08**	**-**	**-**

*Excludes the Impact of Transaction Costs paid on Upfront Basis and Includes the Current Maturities of Non Current Borrowings.

(d) Collateral

The Company's all financial & other assets has been pledged against Borrowings inorder to fulfill the collateral requirement of the Lenders. The fair value of such financial & other assets is disclosed in note no 40.

42 Contingent Liabilities/ Commitments

(i) There are no contingent liabilities, pending litigations/claims against the company as on March 31, 2022.

(ii) There were no Commitments outstanding as on March 31, 2022.

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43 Capital Management

For the purpose of the Company's capital management, Capital consist of share capital & Securities Premium.
The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or obtain additional sub-ordinate debts. The Company monitors capital using debit equity ratio which does not exceed **3.76 : 1** which is total Borrowings divided by total equity excluding balance of deficit in statement of profit & loss.

The key performance ratios are as follows:

	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Borrowings*	354.02	1,078.08
Total Debts - A	**354.02**	**1,078.08**
Equity Share Capital (Refer note 15)	104.60	104.60
Security Premium (Refer note 16)	416.40	416.40
Grant from Authority	360.00	360.00
Total Equity - B	**881.00**	**881.00**
Debt equity ratio (A/B)	**0.40**	**1.22**

*Excludes the Impact of Transaction Costs paid on Upfront Basis and Includes the Current Maturities of Non Current Borrowings.

Note Out of the grant of Rs 360 Million, grant of Rs 295.76 Million is received and the company has received the balance amount of Rs 64.24 million in the current financial year FY 2021-22

43 Corporate Social Resonsibility Expenditure

	March 31, 2022 (INR in Million)	March 31, 2021 (INR in Million)
Amount Required to be Spent as per Section 135 of the Act	6.22	**3.89**
Amount spend during the year on	6.22	**3.89**
(i) Construction/Acquisition of the asset	-	-
(ii) On the purpose other than (i) above	-	-

44 During the previous year, the Company has resumed operations in a phased manner in line with the directives of the Government of India due to Covid-19. The management has made initial assessment of likely adverse 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 AUDA and has also availed the relief provided by its lenders by way of moratorium on certain principal / interest payment. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company, as at date of approval of these financial statements has used corroborative information. As on current date, the company has concluded that the impact of Covid-19 is not material based on the evaluations. Due to the nature of the pandemic, the company will continue to monitor developments to identify significant uncertainties in future periods, if any. The management does not see any long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

45 During the year, Ahmedabad Urban Development Authority (AUDA), has vide resolution passed by its board of directors in the meeting held on October 09, 2017, exempted Light Motor Vehicles (four wheelers) from payment of toll, w.e.f October 10, 2017. In this connection AUDA, in its board meeting has passed resolution to assess claims and make payments as per actual traffic. Company has raised the claims as per the directions of the Board of AUDA. As a result during the quarter ended March 31, 2022 AUDA has confirmed the final claim calculation based on the actual traffic and approved the claim of INR 1,000 million and same is recognised as income in books of accounts. subsequent to the balance sheet date. In addition to this the said subsidiary has recognised the settlement of claim of INR 415 millions alongwith Interest @8% per annum from 01.01.2014. So total claim of INR 978.00 million payable to Sadbhav Engineering Limited (SEL) in books of accounts .

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46 Ratios

Sr No.	Ratio	As at 31-Mar-2022	As at 31-Mar-2021	Deviation	Numerator	Denominator	Reason for Deviation if > 25%
1	Current Ratio	0.50	0.22	124%	Current Assets	Current Liabilities	Increase in Receivables from AUDA
2	Debt – Equity Ratio	0.35	1.16	-70%	Total Debt	Shareholder's Equity	due to Repayment of Debt
3	Debt Service Coverage Ratio	0.24	0.86	-72%	Earnings available for debt service	Debt Service (Interest+Principal repayments)	Increased in Repayment of Debt
4	Return on Equity	0.09	0.47	-81%	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	Increased in Operation & Maintenance Expenses
5	Inventory Turnover Ratio	N.A	N.A	N.A	Cost of goods sold OR sales	Average Inventory	The Company engaged in Construction activities. Hence, these Ratios are not relevant to the company.
6	Trade receivables turnover ratio	N.A	N.A	N.A	Net Credit Sales	Avgerage Accounts Receivable	
7	Trade payables turnover ratio	0.44	0.85	-48%	Net Credit Purchases	Average Trade Payables	Due to increase in trade payables
8	Net capital turnover ratio	(1.76)	(1.11)	58%	Net Sales	Working Capital	Due to increase in Current Assets and Current Liabilities
9	Net profit ratio	8%	33%	-77%	Net Profit	Total Income	Increased in Operation & Maintenance Expenses
10	Return on capital employed	0.15	0.29	-48%	Earning before interest and taxes	Tangible networth +Total debt + Deferred tax liabilities	Increased in Operation & Maintenance Expenses
11	Return on investment	0.02	0.06	-76%	Income from investment	Cost of Investment	Due to early redemption of Investment

47 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 G D G & Associates LLP
Chartered Accountants
ICAI Firm Registration No. W100188

(Devansh Gandhi)
Partner
Membership No. 129255

S G D G & ASSOCIATES LLP AHMEDABAD

Place: Ahmedabad
Date: May 26, 2022

For & on behalf of the Board of Directors of
Ahmedabad Ring Road Infrastructure Limited

(Mahendrasinh Chavda)
Managing Director
DIN: 02607067

(Kalpesh Shah)
Director
DIN: 01139469

(Hitesh Chelani)
Chief Financial Officer

Place: Ahmedabad
Date: May 26, 2022

AHMEDABAD RING ROAD INFRASTRUCTURE LTD. AHMEDABAD