# INDEPENDENT AUDITOR'S REPORT

**To the Members of ROHTAK-PANIPAT TOLLWAY PRIVATE LIMITED**

## Report on the audit of the Ind AS Financial Statements

### Qualified Opinion

We have audited the Ind AS Financial Statements of **ROHTAK-PANIPAT TOLLWAY PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS Financial Statements, including a summary of material accounting policy information and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, **except for the effects of the matter stated in the "Basis for Qualified Opinion" section of our report**, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) 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 31st March, 2024 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Qualified Opinion

**With reference to the Note No. 13 of the Ind AS Financial statements, which states that the lenders have classified the all the secured borrowings as non-performing assets. During the year, the Company has not accounted for interest on rupee term loan from banks and financial institutions as well as Unsecured loans from group companies, which has resulted in the understatement of finance cost and the related interest liability and corresponding understatement of losses, amount of which is unascertained.**

**Further, during the year, the company has not accounted for interest on deferred premium obligation which has resulted in the understatement of finance cost and the related interest liability and corresponding understatement of losses, amount of which is unascertained.**

**Consequently, the unreserved and explicit statement of compliance with Indian Accounting Standards as notified in the Companies (Indian Accounting Standards) Rules, 2015 and further amendments thereto in Note No. 2 (a) is not proper.**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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**Emphasis on Matter**

We draw attention to:

1. Note No.35 to the financial statements, the company had issued notice of termination of Concession Agreement to NHAI on July 27, 2021 under Force Majeure Event of Concession Agreement. The company had attempted conciliation of the issues of the Project for amicable settlement. Due to non-progress of the same, the Company vide letter dated 24.03.2023 had notified the Conciliation Committee and NHAI regarding the failure of the Conciliation Proceedings. The said matters were referred to Arbitration by the Company on 27.03.2023. The Arbitral proceedings for the same are currently ongoing.

   The company has lodged total claims amounting to Rs. 19,379.24million relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. The NHAI had lodged its Counter Claims amounting to 6,227.01 million.

   The Arbitration matter of Competing Road was referred to Arbitration. In the said matter, the majority award was passed on May 30,2023 in favour of NHAI setting aside claims of Company and Minority Award dated 05.06.2023 in favour of Company amounting to Rs. 850.98 Crores. The Company has challenged the Majority Award dated 30.05.2023 and filed a petition before the Hon'ble Delhi High Court.

   The dispute of Claim for Additional Cost on account of ban of quarrying of stone and loss of Toll collection due to delayed issuance of Provisional Certificate was referred to Arbitration. A unanimous Award dated 06.10.2017 by Arbitral Tribunal was awarded in favour of Company amounting to Rs. 89.02 Crores. This Award was challenged by NHAI under Section 34 before the Delhi High Court. The Delhi High Court in its Judgment dated 16.02.2023, the value of award payable by NHAI to RPTPL as on 15.10.2023 works out to Rs. 121.19 Crores. NHAI has challenged the said award under Section 37 before Division Bench of Delhi High Court which is sub-judice.

   NHAI had claimed on RPTPL a claim on account of negative FRL which was referred to Arbitration. The Majority Award on 31.10.2020 by Tribunal was in favour of NHAI amounting to Rs. 20.34 Cr. The interest on delayed payment is awarded at 7.4% simple interest, as on 15/10/2023 works out to Rs. 24.79 Cr. The dissenting note by the Minority of the Tribunal had stated to reject the claim of NHAI in favour of Compnay. The Company has challenged the said Majority Award under Section 34 before the Delhi High Court, which is sub-judice.

   Since the project of the company has been terminated, management is of the view that going concern assumption for preparation of accounts is not appropriate and accounts have been drawn accordingly on non-going concern basis.

2. Note No.34 to the financial statements, in the view of the termination of the project, the management has only impairment the intangible asset to the extent of termination claim lodged by the company with NHAI in the view that are fully recoverable and the remaining carrying value of intangible asset has been transferred to 'Receivable from the NHAI-Toll Collection Rights' under the head "Other Current Financial Assets" in the financial statements.

3. Note No. 16 in the financial statements, the management has represented that in the view of the termination of the project, there is no premium obligation payable to NHAI after termination period and accordingly the liability of premium obligation has been written back.



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4. Note No.14 in the financial statements, the management has represented that in the view of the termination of the project, there is no major maintenance obligation on the company and accordingly the provision of major maintenance has been written back.

Our opinion is not modified in this regard

**Information other than the Ind AS 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 Ind AS Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained during the course of 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.

**Responsibility of Management and Those Charged with Governance for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in:

(i) planning the scope of our audit work and in evaluating the results of our work; and
(ii) to evaluate the effect of any identified misstatements in the Ind AS Financial Statements.

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,



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and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books **except for the effects of the matter stated in the Basis for Qualified Opinion section of our report**.

   c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   d) In our opinion, **except for the effects of the matter stated in the Basis for Qualified Opinion section of our report,** the aforesaid Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with related rules as amended from time to time.

   e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   **f) Our observations made on the matters stated in Qualified Opinion paragraphs above may have a significant effect so as to adversely affect the functioning of the company.**

   g) With respect to the adequacy of the internal financial controls with reference to Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" which expresses an unmodified opinion.

   h) With respect to the Other Matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has no pending litigation which would impact its financial position;

      ii. The Company does not envisage any material foreseeable losses in long-term contracts including derivative contract requiring provision;

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

      iv.

      a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or



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share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("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 have been received by the Company from any persons or entities, including foreign entities ("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; and

c) Based on such audit procedures that we have 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 during the year.

vi. Based on our examination which included test checks, the company has used SAP S4 HANA based application as the accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Further, as proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

3. 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; In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid the managerial remuneration during the year.

**For Gianender & Associates**
**Chartered Accountants**
**(Firm 's Registration No. 004661N)**

**GK Agrawal**
**Partner**
**M No. 081603**

**UDIN:** 24081603BKAIAW6340
**Date: 14th May 2024**
**Place: New Delhi**

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**Annexure 'A' to the Independent Auditor's Report of ROHTAK-PANIPAT TOLLWAY PRIVATE LIMITED for the Year ended as on 31st March, 2024**

**Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date: -**

**To the best of our information and according to the 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. In respect of the Company's Property, Plant and Equipment, Right-of-use Assets and Intangible Assets:

a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment

B. The Company does not have any Intangible assets as on 31st March 2024. Hence, reporting under Paragraph 3(i)(a)(B) is not applicable.

b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified by the management in a phased periodic manner. In accordance with this programme, Property, Plant and Equipment were verified at regular Intervals and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets during the year. Hence, reporting under Para 3(i)(d) is not applicable.

e) There are no proceedings which have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Hence, reporting under Para 3(i)(e) is not applicable.

ii. a) The Company is engaged in the business of infrastructure development, operations and its maintenance and there is no inventory in hand at any point in time. Hence, reporting under paragraph 3(ii)(a) of the Order is not applicable to the Company.

b) The Company has not been sanctioned any working capital limits, from banks or financial institutions on the basis of security of current assets. Hence, reporting under paragraph 3(ii)(b) of the Order is not applicable to the Company.

iii. The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Hence, reporting under paragraph 3(iii) of the Order is not applicable to the Company.

iv. The Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185



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GIANENDER & ASSOCIATES ★ NEW DELHI ★ Chartered Accountants and 186 of the Companies Act, 2013. Hence, reporting under paragraph 3(iv) of the Order is not applicable to the Company.

v. The Company has not accepted deposits or amounts which are deemed to be deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Hence, reporting under paragraph 3(v) of the Order is not applicable to the Company.

vi. The Company is not required to maintain cost records under section 148 of the Act during the year. Hence, reporting under Para 3(vi) is not applicable.

vii. In respect of statutory dues:

a) The Company has been generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. As on 31st March, 2024, there are no undisputed statutory dues payables for period exceeding for a period more than six month from the date they become payable except for the following-

| Name of the statute | Nature of the dues | Amount(Rs.) | Period to which the amount relates | Due Date | Date of payment |
|---|---|---|---|---|---|
| GST Act, 2017 | Output RCM | 7,200 | May-23 | 20th June,2023 | Not paid |
| GST Act, 2017 | Output RCM | 10,800 | Aug-23 | 20th Sep,2023 | Not paid |

b) Details of statutory dues referred to in sub-clause (a) which have not been deposited on account of disputes are given below:

| **Particulars** | **Period for which the amount relates** | **Forum where the dispute is pending** | **Amount (In Rs. Mn)** |
|---|---|---|---|
| Income Tax-TDS | Prior to F.Y. 2020-21 | TRACES | 0.94 |
| | F.Y.2020-21 | | 0.52 |
| | F.Y.2021-22 | | 0.03 |
| | F.Y.2022-23 | | 0.03 |
| | F.Y.2023-24 | | 0.01 |

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. In respect to the borrowings:

a) the Company has defaulted in repayment of borrowings or in the payment of interest thereon to lenders as followed;


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| Name of the Lender | Interest Amount (In Rs. Million) | | | Principal Amount (In Rs. Million) | | |
|---|---|---|---|---|---|---|
| | 1-2 Year | More than 2 year | Total | 1-2 Year | More than 2 year | Total |
| Canara Bank | - | 153.25 | 153.25 | 564.26 | 78.84 | 643.10 |
| PNB | - | 289.01 | 289.01 | 1,800.19 | 301.68 | 2,101.87 |
| ICICI Bank | - | - | - | 1,079.27 | 124.13 | 1,203.40 |
| BOB (Incl. Dena Bank and Vijaya Bank merged) | - | 190.55 | 190.55 | 2,042.92 | 395.93 | 2,438.85 |
| Indian Bank (Incl. Allahabad bank merged) | - | 57.31 | 57.31 | 1,093.80 | 192.95 | 1,286.75 |
| IIFCL | - | 58.50 | 58.50 | 965.31 | 145.46 | 1,110.77 |
| **Total** | - | **1,212.31** | **1,212.31** | **7545.75** | **1,238.99** | **8,784.74** |

As the project of the Company has been terminated and handed over to NHAI (the "Authority"), the entire borrowings from the lenders are overdue for payment. However, the Company has lodged claims to the Authority pursuant to the conditions of the Concession Agreement. The Company has represented that it will be unable to repay the borrowings and interest thereon to the lenders till the claims lodged with NHAI are settled and related settlement dues are realized by the Company.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) The Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

d) On an overall examination of the Ind AS 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) On an overall examination of the Ind AS Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. a) The Company has not raised the money by way of initial public offer/ further public offer (including debt instruments) during the year.

b) During the year, 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, reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

xi. a) According to the information and explanations given to us by the management which have been relied by us, there were no frauds on or by the Company noticed or reported during the period under audit.



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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 to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Hence, reporting under paragraph 3(xii) of the Order is not applicable to the Company.

xiii. All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.

xiv. a) In our opinion and based on our examination, the Company has an adequate internal audit system 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. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 is not applicable to the Company.

xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Hence, reporting under paragraph 3(xvi) (a) of the Order is not applicable to the Company.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under paragraph 3(xvi) (b) of the Order is not applicable to the Company.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.

d) The Group does not have more than one CIC as a part of its Group. Hence, the provisions stated in paragraph 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has incurred cash losses amounting to Rs. 7.00 Mn in the current financial year and Rs. 3.14 million in the immediately preceding financial.

xviii. There has been no resignation of the statutory auditors during the year and accordingly reporting under this clause is not applicable.

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 Ind AS Financial Statements our knowledge of the board of directors and management plan and based on our examination of the evidence supporting the assumption, material uncertainty exists as on the date of the audit report that Company is 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 (refer point '1' of the Emphasis of Matter section above)

We, however, 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 the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a



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period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The Section 135 of the Companies Act, 2013 is not applicable to the Company. Hence, reporting under this para 3 (xx) (a) & (b) are not applicable.

xxi. Paragraph 3(xxi) of the Order is not applicable to the Company as the Ind Financial Statements under reporting are not consolidated Ind AS Financial Statements.

**For Gianender & Associates**
**Chartered Accountants**
**(Firm 's Registration No. 004661N)**

**GK Agrawal**
**Partner**
**M No. 081603**

**UDIN:** 24081603BKAIAW6340
**Date: 14th May 2024**
**Place: New Delhi**



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**ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT**
**(Referred to in our Report 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")**

We have audited the internal financial controls with reference to Ind AS Financial Statements of **ROHTAK-PANIPAT TOLLWAY PRIVATE LIMITED** ("the Company") as of 31st March, 2024 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Ind AS Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Ind AS Financial Statements issued by the Institute of Chartered Accountants of India (the "Guidance Note"). 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 with reference to Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Ind AS Financial Statements 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 with reference to Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Ind AS Financial Statements.



GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Plot No. 6, Site No. 21, Geeta Mandir Marg, New Rajender Nagar, New Delhi – 110060
Ph: 011- 42412008, 43038497, Email: gka_ma@yahoo.com; info.gianender@gmail.com

**Meaning of Internal Financial Controls with reference to Ind AS Financial Statements**

A Company's internal financial control with reference to Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Ind AS Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS 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 Ind AS Financial Statements.

**Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS Financial Statements and such internal financial controls with reference to Ind AS Financial Statements were operating effectively as at 31st March, 2024, based on the internal control with reference to Ind AS Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to Ind AS Financial Statements issued by the Institute of Chartered Accountants of India.

**For Gianender & Associates**
**Chartered Accountants**
**(Firm 's Registration No. 004661N)**

**GK Agrawal**
**Partner**
**M No. 081603**

**UDIN:** 24081603BKAIAW6340
**Date: 14th May 2024**
**Place: New Delhi**



Plot No. 6, Site No. 21, Geeta Mandir Marg, New Rajender Nagar, New Delhi – 110060
Ph: 011- 42412008, 43038497, Email: gka_ma@yahoo.com; info.gianender@gmail.com

Rohtak Panipat Tollway Private Limited
CIN :: U45202GJ2010PTC059322
Balance sheet as at March 31, 2024

| Particulars | Note No. | As at March 31, 2024 (INR In Million) | As at March 31, 2023 (INR In Million) |
|---|---|---|---|
| **ASSETS** | | | |
| **1 Non-current assets** | | | |
| (a) Property, plant and equipment | 5 | 0.01 | 0.01 |
| (b) Investment property | 6 | 1.03 | 1.03 |
| (c) Intangible assets | 7 | - | - |
| (d) Financial assets | | | |
| (i) Investments | | - | - |
| (ii) Trade Receivables | | - | - |
| (iii) Other financial assets | 9 | 0.07 | 0.07 |
| (e) Other non current assets | 10 | - | 3.52 |
| **Total Non-current assets - (A)** | | **1.11** | **4.63** |
| **2 Current Assets** | | | |
| (a) Financial Assets | | | |
| (i) Investments | | | |
| (ii) Trade Receivables | | | |
| (iii) Cash and cash equivalents | 8 | 2.33 | 1.56 |
| (iv) Bank balances other than (i) above | | - | - |
| (v) Other financial assets | 9 | 13,408.57 | 13,408.57 |
| (b) Other current assets | 10 | 1.81 | 1.81 |
| **Total Current assets - (B)** | | **13,412.71** | **13,411.94** |
| **Total Assets (A+B)** | | **13,413.82** | **13,416.57** |
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| Equity share capital | 11 | 21.86 | 21.86 |
| Instruments Entirely Equity in Nature | | - | - |
| Other equity | 12 | (4,411.09) | (4,404.09) |
| **Total equity - (A)** | | **(4,389.23)** | **(4,382.23)** |
| **LIABILITIES** | | | |
| **1 Non-current Liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | | | |
| (ii) Other financial liabilities | | - | - |
| (b) Provisions | | - | - |
| (c) Deferred Tax Liabilities | | - | - |
| (d) Other non-current liabilities | | - | - |
| **Total Non-current liabilities - (B)** | | - | - |
| | | - | - |
| **2 Current Liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 13 | 10,163.19 | 10,163.19 |
| (ii) Trade payables | 15 | | |
| -Total outstanding dues of micro and small enterprises | | - | - |
| -Total outstanding dues of creditors other than micro and small enterprises | | 145.64 | 138.73 |
| (iii) Other financial liabilities | 16 | 7,463.38 | 7,465.78 |
| (b) Other current liabilities | 17 | 27.11 | 27.37 |
| (c) Provisions | 14 | 3.73 | 3.73 |
| **Total Current liabilities - (C)** | | **17,803.05** | **17,798.80** |
| **Total Equity and Liabilities (A+B+C)** | | **13,413.82** | **13,416.57** |
| **Material Accounting Policy Information** | 3 | | |
| **The notes referred above are an integral part of these financial statements** | | | |

**As per our report of even date**

**For Gianender & Associates**
**Chartered Accountants**
**ICAI Firm Registration No. 004661N**

**G.K. Agrawal**
**Partner**
**Membership. No. 081603**

**Place: New Delhi**
**Date: May 14, 2024**

GIANENDER & ASSOCIATES ★ NEW DELHI ★ Chartered Accountants

ROHTAK-PANIPAT TOLLWAY PVT. LIMITED

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

Rajat Mondal

| | |
|---|---|
| **Mahendrasinh R Chavda** | **Rajat S Mondal** |
| **Director** | **Director** |
| **DIN No: 02607067** | **DIN No: 09811116** |

**Place: Ahmedabad**
**Date: May 14, 2024**

**Rohtak Panipat Tollway Private Limited**
**CIN :: U45202GJ2010PTC059322**
**Statement of Profit and Loss for the year ended March 31, 2024**

| Particulars | Note No. | Year ended March 31, 2024 INR in Million | Year ended March 31, 2023 INR in Million |
|---|---|---|---|
| **INCOME** | | | |
| I Revenue from operations | | - | - |
| II Other Income | 18 | 0.61 | 3.57 |
| III **Total Income (I+II)** | | **0.61** | **3.57** |
| **EXPENSES** | | | |
| a. Operating expenses | 19 | - | 0.00 |
| b. Employee benefits expenses | 20 | 2.94 | 3.58 |
| c. Finance cost | 21 | - | 288.62 |
| d. Depreciation and amortization | | - | - |
| e. Other expenses | 22 | 4.67 | 14.79 |
| IV **Total expenses** | | **7.61** | **306.99** |
| V **Loss before tax (III-IV)** | | **(7.00)** | **(303.42)** |
| VI **Tax expenses** | 23 | | |
| Current tax | | - | - |
| Deferred tax | | - | - |
| VII **Total tax expenses** | | - | - |
| VIII **Loss for the year (V-VII)** | | **(7.00)** | **(303.42)** |
| IX **Other Comprehensive Income** | | | |
| (i) Item that are not to be reclassified to profit or loss in subsequent periods | | - | - |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | 25 | - | - |
| **Other Comprehensive Income for the year, net of tax** | | - | - |
| X **Total Comprehensive Income for the year, net of tax (VIII+IX)** | | **(7.00)** | **(303.42)** |
| **Earning per share [Face value of share INR 10/-]** | | | |
| Basic and Diluted (in INR) | 24 | (3.20) | (138.77) |
| **Material Accounting Policy Information** | 3 | | |
| **The notes referred above are an integral part of these financial statements** | | | |

**As per our report of even date**

**For Gianender & Associates**
**Chartered Accountants**
**ICAI Firm Registration No. 004661N**

**G.K. Agrawal**
**Partner**
**Membership. No. 081603**

**Place: New Delhi**
**Date: May 14, 2024**

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

ROHTAK-PANIPAT TOLLWAY PVT. LIMITED

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

**Mahendrasinh R Chavda**
**Director**
**DIN No: 02607067**

**Rajat S Mondal**
**Director**
**DIN No: 09811116**

Rajat Mondal

**Place: Ahmedabad**
**Date: May 14, 2024**

**Rohtak Panipat Tollway Private Limited**
**CIN :: U45202GJ2010PTC059322**
**Statement of Changes in Equity for the year ended March 31, 2024**

**A Equity Share Capital**

| Equity shares of INR 10 each issued, subscribed and fully paid (note 11) | Number of Shares | (INR In Million) |
|---|---|---|
| **As at April 1, 2022** | **21,86,445** | **21.86** |
| Changes in the equity share capital during the year due to prior period errors | - | - |
| Restated Balance at the the beginning of the year | - | - |
| Changes in the equity share capital during the year | - | - |
| **As at March 31, 2023** | **21,86,445** | **21.86** |
| **As at April 1, 2023** | **21,86,445** | **21.86** |
| Changes in the equity share capital during the year due to prior period errors | - | - |
| Restated Balance at the the beginning of the year | - | - |
| Changes in the equity share capital during the year | - | - |
| **As at March 31, 2024** | **21,86,445** | **21.86** |

**B Other Equity**

(INR In Million)

| Particulars | Equity Component of Compound Financial Instrument (note 12) | Reserves and Surplus | | Total |
|---|---|---|---|---|
| | | Securities Premium (note 12) | Retained Earning (note 12) | |
| **As at April 01, 2022** | **4,688.73** | **195.88** | **(8,985.27)** | **(4,100.66)** |
| (Loss) for the year | - | - | (303.42) | (303.42) |
| Other Comprehensive Income for the year | - | - | - | - |
| **As at March 31, 2023** | **4,688.73** | **195.88** | **(9,288.70)** | **(4,404.09)** |
| (Loss) for the year | - | - | (7.00) | (7.00) |
| Other Comprehensive Income for the year | - | - | - | - |
| **As at March 31, 2024** | **4,688.73** | **195.88** | **(9,295.70)** | **(4,411.09)** |

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

**As per our report of even date**

**For Gianender & Associates**
**Chartered Accountants**
**ICAI Firm Registration No. 004661N**

GIANENDER & ASSOCIATES ★ NEW DELHI ★ Chartered Accountants

**G.K. Agrawal**
**Partner**
**Membership. No. 081603**

**Place: New Delhi**
**Date: May 14, 2024**

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

Rajat Mondal

**Mahendrasinh R Chavda**
**Director**
**DIN No: 02607067**

**Rajat S Mondal**
**Director**
**DIN No: 09811116**

**Place: Ahmedabad**
**Date: May 14, 2024**

ROHTAK-PANIPAT TOLLWAY PVT. LIMITED

**Rohtak Panipat Tollway Private Limited**
**CIN :: U45202GJ2010PTC059322**
**Cash Flow Statement for the year ended March 31, 2024**

| Particulars | | Year ended March 31, 2024 INR In Million | Year ended March 31, 2023 INR In Million |
|---|---|---|---|
| **(A) Cash flows from Operating Activities** | | | |
| **Net (Loss) before tax** | | (7.00) | (303.42) |
| ***Adjustments to reconcile profit before tax to net cash flows:*** | | | |
| Interest and other borrowing cost | | - | 288.62 |
| Interest Income | | (0.02) | (1.91) |
| Loss on derecognition of fixed asset | | - | 0.72 |
| Receivable writen off | | - | 10.02 |
| **Operating (loss) before working capital changes** | | (7.02) | (5.97) |
| **Movement in Working Capital:** | | | |
| Decrease in financial assets | | - | 5.67 |
| Decrease / (Increase) in other assets | | 3.52 | (5.67) |
| (Decrease) / Increase in financial liabilities | | (2.40) | 0.27 |
| Increase in trade payables | | 6.92 | 4.90 |
| (Decrease) / Increase in current liabilities | | (0.27) | 0.46 |
| (Decrease) in provisions | | - | (0.38) |
| **Cash generated from operating activities** | | 0.75 | (0.72) |
| Direct taxes paid (net of income tax refund) | | - | 0.15 |
| **Net cash flow generated from operating activities** | (A) | 0.75 | (0.57) |
| **(B) Cash flows from investing activities** | | | |
| Fixed Deposit Redeemed | | - | 91.63 |
| Interest received | | 0.02 | 7.59 |
| **Net cash flow generated from investing activities** | (B) | 0.02 | 99.22 |
| **(C) Cash flows from financing activities** | | | |
| Proceeds from current borrowings | | - | 79.10 |
| Interest and other borrowing cost paid | | - | (178.14) |
| **Net cash flow (used) in financing activities** | (C) | - | (99.04) |
| **Net increase / (decrease) in cash and cash equivalents** | | 0.77 | (0.39) |
| Cash and cash equivalents at beginning of the year | | 1.56 | 1.95 |
| **Cash and cash equivalents at end of the year** | | 2.33 | 1.56 |

***Notes:***

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

| | As at March 31, 2024 (INR In Million) | As at March 31, 2023 (INR In Million) |
|---|---|---|
| Cash on hand | 0.00 | 0.00 |
| Balances with banks | | |
| in current accounts | 2.33 | 1.55 |
| **Cash and cash equivalents** | 2.33 | 1.56 |

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

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

(INR in Million)

| Particulars | | 01-Apr-23 | Net Cash flow | Change in fair value | Others* | 31-Mar-24 |
|---|---|---|---|---|---|---|
| Current borrowings | | 10,163.19 | - | - | - | 10,163.19 |
| Interest accrued | | 2,885.78 | - | - | - | 2,885.78 |
| | Total | 13,048.97 | - | - | - | 13,048.97 |

| Particulars | | 01-Apr-22 | Net Cash flow | Change in fair value | Others* | 31-Mar-23 |
|---|---|---|---|---|---|---|
| Current borrowings | | 10,084.09 | 79.10 | | - | 10,163.19 |
| Interest accrued | | 2,775.30 | (178.14) | - | 288.62 | 2,885.78 |
| | Total | 12,859.39 | (99.04) | - | 288.62 | 13,048.97 |

*Others represent interest accrued during the year.

(iv) Figures in brackets represent outflows.

**As per our report of even date**

**For Gianender & Associates**
**Chartered Accountants**
**ICAI Firm Registration No. 004661N**

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

**G.K. Agrawal**
**Partner**
**Membership. No. 081603**

**Place: New Delhi**
**Date: May 14, 2024**

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

ROHTAK-PANIPAT TOLLWAY PVT. LIMITED

**Mahendrasinh R Chavda**
**Director**
**DIN No: 02607067**

**Rajat S Mondal**
**Director**
**DIN No: 09811116**

**Place: Ahmedabad**
**Date: May 14, 2024**

**Rohtak Panipat Tollway Private Limited**
**Notes to Financial statement for the year ended March 31, 2024**

1. **Company information:**

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

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

The company has terminated the concession agreement with NHAI on July 27, 2021, by exercising the criteria of 'Event of Defaults' under concession agreement and the toll collection hand over to the NHAI by the Company. The company has filed a claim for INR 15,290.58 Million as a termination payment and other Claims amounting to INR 4,088.65 Million on the account of O&M cost due to force majeure , Covid claim & demonetization claim to the NHAI. In respect of such claims, NHAI has approached to the company for settlement of all these claims by way of conciliation proceedings in previous year, which has been consented by the company but due to nonprogress of the same the matters were referred to the Arbitral Tribunal. Currently Arbitral proceeding is going on.

The financial statements were authorized for issue in accordance with a resolution of the directors on May 14, 2024

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.

Financial statements for the period ended 31st March, 2024 have been prepared based on non-going concern basis following below mentioned accounting policies.

i. All assets are depicted at expected realizable value unless otherwise stated
ii. All Liabilities are depicted at expected settlement value unless otherwise stated.
iii. Borrowing Cost-Refer Note- 3.8
iv. Earnings Per Equity Share-Refer Note- 3.17
v. Taxation –Refer Note- 3.13
vi. Provisions and Contingent Liabilities-Refer- 3.14
vii. Cash and cash equivalents-Refer Note- 3.16
viii. Cash Flow Statement as per IND-AS 7
ix. Claims are accounted for on expected recoverable value.
x. Critical accounting estimates and judgements-Refer Note-2(d)
xi. Other Incomes-Refer Note- 3(iv)

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

ROHTAK-PANIPAT TOLLWAY PVT. LIMITED

**(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 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 material accounting policy**

The following are the material accounting policy 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.

GIANENDER & ASSOCIATES * NEW DELHI * Chartered Accountants

ROHTAK-PANIPAT TOLLWAY PVT. LIMITED *

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 Agreements

**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 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 Revenue Recognition

The company primarily derives revenue in terms of the Appendix D to Ind AS 115 which covers specific aspects related to the Service Concession Agreements. The company follows Intangible Asset model prescribed in the Appendix.

Revenue is recognized upon transfer of control of promised service to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services or goods. Revenue,

GIANENDER & ASSOCIATES * Chartered Accountants * NEW DELHI

ROHTAK-PANIPAT TOLLWAY PVT. LIMITED *

primarily, is measured based on the transaction price (realization of toll receipts), which is the consideration for usage of the toll roads. Since the company does not provide any other services, the disaggregation of revenues is not disclosed.

**(i) 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).

**(ii) 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.

**(iii) Dividend**

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

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**(iv) Interest**

Interest income is recognised using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

**(v) Government Grants**

Government Grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on systematic basis over the periods that the related cost, for which it is intended to compensate, are expensed.

**(vi) Other Income**

Other items of income are recognised as and when the right to receive arises.

## 3.4 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.

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### 3.5 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.

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.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised 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.

### 3.6 Impairment – Non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the higher of the fair value less cost of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset for which the estimates of future cash flows have not been adjusted. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss.

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Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**3.7 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. 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 on disposal or on permanently withdrawal from use or when no future economic benefits are expected from its 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. 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.

**3.8 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 respective 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. Investment income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

**3.9 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**

An operating lease is a lease other than a finance lease. Operating lease payments are recognised as an operating expense in the Statement of Profit and Loss on a straight-line basis over the lease term except the case where incremental lease reflects inflationary effect and lease expense is accounted in such case by actual rent for the period.

**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.

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**3.10 Financial Instruments**

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

**a) Financial assets**

**i. Initial recognition and measurement of financial assets**

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition. 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.
However, trade and other receivables are recognised on amortised cost.

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.

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**iii. De-recognition of financial assets**

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

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

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

**iv. Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The company follows 'simplified approach' for recognition of impairment loss allowance on:
- Trade receivables and
- Other financial assets

Trade receivable:
Also the receivable from companies are considered to be good and there are neither been any past instances of default and also management doesn't expect any default in case of Company receivables, therefore Impairement losses are not recognised as per Ind AS 109.

**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.

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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 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 attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

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

This is the category most relevant to the Company. 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.

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, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**c) Offsetting of financial instruments**

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

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**3.11 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:

- 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.

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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)

**3.12 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 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

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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.

### 3.13 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 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 eleventh 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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised

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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.

**3.14 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.

**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 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.

**3.15 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

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company. The company does not recognize a contingent asset but discloses its existence in the financial statements

**3.16 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.

**3.17 Earnings/(Loss) per share**

Basic EPS is calculated by dividing the profit / (loss) for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.
Diluted EPS is calculated by dividing the profit / (loss) attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

**3.18 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

**3.19 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 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

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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) Property, plant and equipment**

Refer Note 3.4 for the estimated useful life of Property, plant and equipment. The carrying value of Property, plant and equipment has been disclosed in Note 5.

**(vi) 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.

**(vii) 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.

**(viii) Estimation of uncertainties relating to the global health pandemic from COVID-19:**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of investments, tangible assets, contract assets and contract cost. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information on the expected future performance of the Company.

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

ROHTAK-PANIPAT TOLLWAY PVT. LIMITED

## Rohtak Panipat Tollway Private Limited
## Notes to Financial Statements for the year ended March 31, 2024

### 5 Property, Plant and Equipment

(INR In Million)

| Particulars | Machinery & Equipments | Computers | Furniture & Fixtures | Vehicles | Office Equipments | Total Tangible Assets |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| **As at April 01, 2022** | 0.99 | 0.44 | 0.07 | 1.36 | 0.63 | 3.49 |
| Addition | - | - | - | - | - | - |
| Disposal / adjustment | 0.43 | 0.02 | 0.03 | 0.21 | 0.03 | 0.72 |
| **As at March 31, 2023** | 0.56 | 0.42 | 0.04 | 1.15 | 0.60 | 2.77 |
| Addition | - | - | - | - | - | - |
| Disposal / adjustment | - | - | - | - | - | - |
| **As at March 31, 2024** | 0.56 | 0.42 | 0.04 | 1.15 | 0.60 | 2.77 |
| **Accumulated Depreciation** | | | | | | |
| **As at April 01, 2022** | 0.56 | 0.42 | 0.04 | 1.15 | 0.60 | 2.77 |
| Charge for the year | - | - | - | - | - | - |
| Disposal / adjustment | - | - | - | - | - | - |
| **As at March 31, 2023** | 0.56 | 0.42 | 0.04 | 1.15 | 0.60 | 2.77 |
| Charge for the year | - | - | - | - | - | - |
| Disposal / adjustment | - | - | - | - | - | - |
| **As at March 31, 2024** | 0.56 | 0.42 | 0.04 | 1.15 | 0.60 | 2.77 |
| **Net Block** | | | | | | |
| **As at March 31, 2023** | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 | 0.01 |
| **As at March 31, 2024** | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 | 0.01 |

**Notes:**

1 The Company has elected to continue with the carrying value for all of its property, plant and equipments as recognised in its previous GAAP financial (Indian accounting principle generally accepted in India as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014), as deemed cost at the transition date i.e. April 1, 2015 as per option permitted under Ind AS 101 for the first time adoption.

2 Property Plant and Equipments has been pledged against non-current borrowings in order to fulfill the collateral requirement for the Lenders. (refer note 13)

### 6 Investment Property

(INR In Million)

| Particulars | Land | Total |
|---|---|---|
| **Cost** | | |
| **As at April 01, 2022** | 1.03 | 1.03 |
| Addition | - | - |
| Deductions | - | - |
| **As at March 31, 2023** | 1.03 | 1.03 |
| Addition | - | - |
| Deductions | - | - |
| **As at March 31, 2024** | 1.03 | 1.03 |
| **Accumulated Depreciation** | | |
| **As at April 01, 2022** | - | - |
| Charge for the year | - | - |
| Disposal / Adjustment | - | - |
| **As at March 31, 2023** | - | - |
| Charge for the year | - | - |
| Disposal / Adjustment | - | - |
| **As at March 31, 2024** | - | - |
| **Net Block** | | |
| **As at March 31, 2023** | 1.03 | 1.03 |
| **As at March 31, 2024** | 1.03 | 1.03 |

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

ROHTAK-PANIPAT TOLLWAY PVT. LIMITED

**Rohtak Panipat Tollway Private Limited**

**Notes to Financial Statements for the year ended March 31, 2024**

**Notes:**

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

2 The above consist of 2 land which are situated at Kadi District and Haryana District has been mortgaged against non-current borrowings to fulfill the collateral requirement of lenders. (refer note 13)

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

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

**7 Intangible Assets**

(INR In Million)

| Particulars | Computer Software | Toll Collection Rights | Total |
|---|---|---|---|
| **Gross Block** | | | |
| **As at March 31, 2022** | 0.27 | - | 0.27 |
| Addition | - | - | - |
| Premium obligation Decapitalized | - | - | - |
| Impairment | - | - | - |
| Transfer to Financial Asset | - | - | - |
| **As at March 31, 2023** | 0.27 | - | 0.27 |
| Addition | - | - | - |
| Disposal | - | - | - |
| **As at March 31, 2024** | 0.27 | - | 0.27 |
| **Accumulated Amortization** | | | |
| **As at March 31, 2022** | 0.27 | - | 0.27 |
| Charge for the year | - | - | - |
| Transfer to Financial Assets | - | - | - |
| **As at March 31, 2023** | 0.27 | - | 0.27 |
| Charge for the year | - | - | - |
| Disposal / adjustment | - | - | - |
| **As at March 31, 2024** | 0.27 | - | 0.27 |
| **Net Block** | | | |
| **As at March 31, 2023** | - | - | - |
| **As at March 31, 2024** | - | - | - |

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

ROHTAK-PANIPAT TOLLWAY PVT. LIMITED

**8 Cash and bank balances**

| | | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|---|
| **Cash and cash equivalents** | | | |
| Cash on Hand | | 0.00 | 0.00 |
| Balances with banks | | | |
| in current accounts (refer note 1 below) | | 2.33 | 1.55 |
| | **Total** | **2.33** | **1.56** |

**Note:**

1 Balance with bank includes balance of INR 0.58 Million (March 31, 2023: INR 0.38 Million) lying in the escrow accounts which is usable as per terms of borrowings with the lenders.

2 Deposits lying with bank in designated account for specific purpose as per terms of common loan agreement i.e. Debt Service Reserve Account. Hence, considered as restricted cash and bank balance.

**9 Other financial assets (unsecured, considered good)**

| | | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|---|
| **Non current** | | | |
| Security deposits | | 0.07 | 0.07 |
| | **Total (A)** | **0.07** | **0.07** |
| **Current** | | | |
| Receivable from NHAI - Toll collection rights(refer note 1 below) | | 12,519.05 | 12,519.05 |
| Receivable from NHAI - Arbitration claim | | 889.53 | 889.53 |
| '-Receivable from NHAI - Claim (refer note 36) | | 885.38 | 885.38 |
| '-Receivable from NHAI - Arbitrator (refer note 36) | | 4.15 | 4.15 |
| | **Total (B)** | **13,408.58** | **13,408.58** |
| | **Total (C = A + B)** | **13,408.65** | **13,408.65** |

**Note:**

1 As the company has terminated the concession agreement with NHAI on July 27,2021, by exercising the criteria of 'Event of Defaults' under concession agreement and the toll collection hand over to the NHAI by the Company, the company has filed a claim for INR 15,290.58 Million as a termination payment and other Claims amounting to INR 4,088.65 Million (Refer Note No 35) on the account of O&M cost due to force majeure , Covid claim & demonetization claim to the NHAI. In respect of such claims, the Arbitral proceedings are currently ongoing.

On the basis of the above, the company has transferred the carrying value of intangible asset to the other financial assets (i.e. receivable from the NHAI) and the management is of the view that claims are fully recoverable and as a result the receivable from NHAI are shown under other financial assets which is representing the carrying value of Intangible asset till the date of termination doesn't require any impairment suffered by the company due to NHAI defaults under CA.

**10 Other assets (Unsecured, considered good)**

| | | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|---|
| **Non current** | | | |
| Tax deducted at sources receivable | | - | 3.52 |
| | **Total (A)** | **-** | **3.52** |
| **Current** | | | |
| Tax credit receivable | | 1.81 | 1.81 |
| | **Total (B)** | **1.81** | **1.81** |
| | **Total (C = A + B)** | **1.81** | **5.33** |

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ROHTAK-PANIPAT TOLLWAY PVT. LIMITED *

## 11 Equity share capital

| | March 31, 2024 | | March 31, 2023 | |
|---|---|---|---|---|
| | No. of shares | (INR In Million) | No. of shares | (INR In Million) |
| **Authorized share capital** | | | | |
| Equity Shares of INR 10 each | 50,00,000 | 50.00 | 50,00,000 | 50.00 |
| | **50,00,000** | **50.00** | **50,00,000** | **50.00** |
| **Issued, subscribed and fully paid up** | | | | |
| Equity shares of INR 10 each | 21,86,445 | 21.86 | 21,86,445 | 21.86 |
| | **21,86,445** | **21.86** | **21,86,445** | **21.86** |

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

| | March 31, 2024 | | March 31, 2023 | |
|---|---|---|---|---|
| | No. of shares | (INR In Million) | No. of shares | (INR In Million) |
| **At the beginning of the year** | 21,86,445 | 21.86 | 21,86,445 | 21.86 |
| Add: Issue during the year | - | - | - | - |
| **Outstanding at the end of the year** | **21,86,445** | **21.86** | **21,86,445** | **21.86** |

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

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

**(c) Share held by holding Company:**

| Out of equity shares issued by the company, shares held by its holding company: | March 31,2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|
| Sadbhav Infrastructure Project Limited - Holding Company (including nominees) 2,186,445 (March 31, 2022: 2,186,445 ) equity shares | 21.86 | 21.86 |

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

| **Particulars** | March 31,2024 | | March 31, 2023 | |
|---|---|---|---|---|
| | No. of shares | % of shareholding | No. of shares | % of shareholding |
| **Equity shares of Rs 10 each fully paid** | | | | |
| Sadbhav Infrastructure Project Limited and its nominees | 21,86,445 | 100.00% | 21,86,445 | 100.00% |

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

**(e) Shareholding of Promotors**

| **Name of Promoter** | | No of Shares | % of Total Share | % Change During Period |
|---|---|---|---|---|
| **As at 31-Mar-2024** | | | | |
| Sadbhav Infrastructure Project Ltd | | 21,86,445 | 100.00% | 0.00% |
| | Total | **21,86,445** | **100.00%** | **0.00%** |
| **As at 31-Mar-2023** | | | | |
| Sadbhav Infrastructure Project Ltd | | 21,86,445 | 100.00% | 0.00% |
| | Total | **21,86,445** | **100.00%** | **0.00%** |

## 12 Other equity

| | | March 31,2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|---|
| **Equity component of compound financial instrument - sub-odinate debt (refer note i below & 26)** | | | |
| Balance at the beginning of the year | | 4,688.73 | 4,688.73 |
| Add: Adjust during the year | | - | - |
| **Balance at the end of the year** | Total (A) | **4,688.73** | **4,688.73** |
| **Securities premium (refer note ii below)** | | | |
| Balance at the beginning of the year | | 195.88 | 195.88 |
| **Balance at the end of the year** | Total (B) | **195.88** | **195.88** |
| **(Deficit) in statement of profit and loss** | | | |
| **Balance at the beginning of the year** | | **(9,288.70)** | **(8,985.27)** |
| Add: loss for the year | | (7.00) | (303.42) |
| Add / (Less): Other comprehensive income for the year | | - | - |
| **Balance at the end of the year** | Total (C) | **(9,295.70)** | **(9,288.70)** |
| | Total (D=A+B+C) | **(4,411.09)** | **(4,404.09)** |

**Note**

i The Project of the Company has been funded through sub-ordinate debt of INR 4,688.73 million from the Sponsors in accordance with Sponsor Support and Equity Contribution Agreement / Sponsor Undertaking. Such sub-ordinate debt is considered as sponsor's contribution to ensure promotors commitment for the project. Sub-ordinate debt is interest free and shall be repayable at the end of the concession period or earlier at the option of the company in accordance with terms of contract.

ii Security premiuim is used to record the premiuim on issue of issue of shares. The reserve can be utilised only for limited purpose such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

iii No dividends are declared or paid by the company during the year.

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ROHTAK-PANIPAT TOLLWAY PVT. LIMITED

**13 Current borrowings**

| | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|
| **Secured** | | |
| Term loan from banks | | |
| Indian rupee | 7,673.97 | 7,673.97 |
| Loan from financial institution | 1,110.77 | 1,110.77 |
| **Loans repayable on demand **** | | |
| Related parties (unsecured)* (refer note 26) | 1,378.45 | 1,378.45 |
| **Total** | **10,163.19** | **10,163.19** |

*As the accounts has been prepared on non going concern basis as per the accounting policies stated in note no. 3 , the non current borrowings has been reclassified under current borrowings .

The Lenders of the company have filed a Case No.: OA/353/2023 before the Hon'ble Debts Recovery Tribunal, Ahmedabad (DRT) against Company and others for recovery of INR 10,240.66 million.

**Loan from related party is repayable on demand and interest free

**14 Provisions**

| | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|
| Provision for employee benefits-leave encashment | 1.50 | 1.50 |
| Provision for employee benefits-gratuity (refer note 25) | 2.23 | 2.23 |
| **Total** | **3.73** | **3.73** |

**15 Trade payables**

| | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|
| Total outstanding dues of micro and small enterprises* | - | - |
| Total outstanding dues of creditors otherthan micro and small enterprises (refer note 26) | 145.64 | 138.73 |
| **Total** | **145.64** | **138.73** |

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

**As at March 31, 2024**

| Sr No | Particulars | Unbilled | Not Due | 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 | - | 0.58 | - | 0.02 | 16.30 | 28.78 | 45.68 |
| 3 | Others-Related Parties | - | - | 7.75 | 5.20 | 37.54 | 49.47 | 99.96 |
| 4 | Disputed dues - MSME | - | - | - | - | - | - | - |
| 5 | Disputed dues - Others | - | - | - | - | - | - | - |
| | Total | - | 0.58 | **7.75** | **5.22** | **53.84** | **78.25** | **145.64** |

**As at March 31, 2023**

| Sr No | Particulars | Unbilled | Not Due | 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 | - | - | 0.46 | 16.57 | 18.57 | 10.92 | 46.52 |
| 3 | Others-Related Parties | - | - | 5.20 | 37.54 | 4.22 | 45.25 | 92.21 |
| 4 | Disputed dues - MSME | - | - | - | - | - | - | - |
| 5 | Disputed dues - Others | - | - | - | - | - | - | - |
| | Total | - | - | **5.66** | **54.11** | **22.79** | **56.17** | **138.73** |

GIANENDER & ASSOCIATES ★ Chartered Accountants ★ NEW DELHI

ROHTAK-PANIPAT TOLLWAY PVT. LIMITED

## 16 Other financial liabilities

| | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|
| **Current** | | |
| Premium obligation payable to NHAI | 3,982.55 | 3,982.55 |
| Interest accrued on premium obligation (refer note 1 below) | 1,578.44 | 1,578.44 |
| Interest accrued and due on borrowings | 1,212.31 | 1,212.31 |
| Interest accrued on Short term borring borrowings (refer note 26) | 95.03 | 95.03 |
| Payable towards capital goods (refer note 9(1) and 26) | 588.01 | 588.01 |
| Payable towards utility shifting work (refer note 26) | 1.56 | 1.56 |
| Employee emoluments payable | 5.49 | 7.88 |
| **Total** | **7,463.38** | **7,465.78** |

**Note:**

1 Premium obligation under the Concession Agreement has been deferred by NHAI vide its sanction letter dated June 10, 2014. According to the terms of the sanction letter company shall pay entire deferred premium and interest thereon no later than one year prior to the expiry of the concession period. Amount of premium obligation which has not been deferred are payable in unequal monthly instalments, in terms of the sanction letter, during the concession period.In the current year company on July 27,2021 has terminated the concession as mentioned in note no 35 and hence the fair value liability of premium obligation after the date of termination has been written back .

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

## 17 Other current liabilities

| | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|
| Statutory dues | 27.11 | 27.37 |
| **Total** | **27.11** | **27.37** |

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ROHTAK-PANIPAT TOLLWAY PVT. LIMITED *

**18 Other income**

| | | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|---|
| Interest income: | | | |
| on deposit with banks | | 0.02 | 1.91 |
| on Income tax refund | | 0.01 | 0.03 |
| Write Back | | 0.58 | 1.63 |
| | Total | 0.61 | 3.57 |

**19 Operating expenses**

| | | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|---|
| Toll plaza and road operations & maintenance expenses (including payment to sub contractors) (refer note 26)* | | - | 0.00 |
| | Total | - | 0.00 |

*Amount of INR 2,300 in FY 22-23 is below the rounding off norm adopted by the company

**20 Employee benefits expenses**

| | | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|---|
| Salaries, wages and other allowances (refer note 25) | | 2.87 | 3.01 |
| Contribution to provident fund and other fund (refer note 25) | | 0.07 | 0.08 |
| Staff welfare expenses | | - | 0.49 |
| | Total | 2.94 | 3.58 |

**21 Finance cost**

| | | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|---|
| **Interest expenses on:** | | | |
| Deferment of premium obligation | | - | 288.62 |
| | Total | - | 288.62 |

**22 Other Expenses**

| | | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|---|
| Rates and taxes | | 0.01 | 0.01 |
| Professional fees | | 0.13 | 3.57 |
| Travelling and conveyance | | - | 0.00 |
| Receivables written off | | 3.35 | 10.02 |
| Auditors' remuneration (refer note below) | | 1.03 | 0.20 |
| Loss on derecognition of fixed asset | | - | 0.72 |
| Miscellaneous expenses | | 0.15 | 0.27 |
| | Total | 4.67 | 14.79 |

**22.1 Payment to Auditors:**

| | | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|---|
| Statutory audit fees | | 0.92 | 0.20 |
| Certification Fees | | 0.11 | - |
| | Total | 1.03 | 0.20 |

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ROHTAK-PANIPAT TOLLWAY PVT. LIMITED

## 23 Income tax

The major component of Income tax expenses for the year ended March 31, 2024 and March 31, 2023 are as under:

**a) Profit and loss section**

| | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|
| Current tax | - | - |
| Deferred tax | - | - |
| **Total** | - | - |

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

| | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|
| **Accounting profit before tax** | **(7.00)** | **(303.42)** |
| Statutory income tax rate | 26.00% | 26.00% |
| **Expected income tax expenses** | **(1.82)** | **(78.89)** |
| **Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses** | | |
| Tax losses not recognised due to absence of probable certainty of reversal (refer note below) | 1.82 | 78.89 |
| **At the effective income tax rate of Nil (March 31, 2023: Nil)** | - | - |

**B) Deferred tax**

| **Particulars** | **Balance sheet** | | **Statement of Profit and Loss** | |
|---|---|---|---|---|
| | **March 31, 2024** | **March 31, 2023** | **March 31, 2024** | **March 31, 2023** |
| Expenditure allowable over the period | 993.89 | 1,347.32 | (353.43) | (352.59) |
| Expenditure allowable on payment basis | 0.58 | 0.58 | - | - |
| Unused losses available for offsetting against future taxable income | 4,569.02 | 4,167.97 | 401.06 | 182.64 |
| **Deferred tax expense/(income)** | | | **47.63** | **(169.96)** |
| **Deferred tax expense/(income) recognised in statement of profit & loss (refer note below)** | | | - | - |
| **Net deferred tax assets/(liabilities)** | **5,563.49** | **5,515.86** | | |
| **Net deferred tax assets/(liabilities) recognised in balance sheet (refer note below)** | - | - | | |

**Notes**

1 As a matter of prudence, the company has recognised deferred tax assets on deductible temporary differences and carry forward of unused tax losses in the books to the extent of deferred tax liability balance, as it is not probable that future taxable profit will be available against which those temporary differences, losses and tax credit against which deferred tax assets can be utilized. Accordingly, INR 5,563.49 million (31 March 2023: INR 5,515.86 million) has not recognised as deferred tax assets in the books as at reporting date.

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

ROHTAK-PANIPAT TOLLWAY PVT. LIMITED

**24 Earning per share (EPS):**

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

| | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|
| Net (Loss) after tax | (7.00) | (303.42) |
| Number of equity shares at the end of the year | 21,86,445 | 21,86,445 |
| Weighted average number of equity shares for basic and diluted EPS | 21,86,445 | 21,86,445 |
| Nominal value of equity shares | 10 | 10 |
| **Basic and diluted (loss) per share** | **(3.20)** | **(138.77)** |

**25 Employee benefits disclosure:**

**A Defined contribution plans:**

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

| | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|
| Contribution to provident fund | 0.07 | 0.08 |
| Contribution to ESI | - | - |
| Contribution to benevolent fund | - | - |
| **Total** | **0.07** | **0.08** |

**B Defined benefit plans - Gratuity benefit plan:**

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

| | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|
| **Defined benefit obligations as at beginning of the year - A** | **2.23** | **2.23** |
| **Cost charged to statement of profit and loss** | | |
| Current service cost | - | - |
| Interest cost | - | - |
| **Sub-total included in statement of profit and loss - B** | - | - |
| **Remeasurement gains/(losses) in other comprehensive income** | | |
| Actuarial loss/(gain) due to change in financial assumptions | - | - |
| Actuarial loss/(gain) due to experience | - | - |
| **Sub-total included in other comprehensive income - C** | - | - |
| **Benefits paid by company** | - | - |
| **Defined benefit obligations as at end of the year (A+B-C-D)** | **2.23** | **2.23** |
| **Non-current** | - | - |
| **Current** | **2.23** | **2.23** |

| | March 31, 2024 | March 31, 2023 |
|---|---|---|
| Discount rate | - | - |
| Salary Growth Rate | - | - |
| Withdrawal rate | - | - |
| Mortality rate | - | - |

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

| **Particulars** | Sensitivity level | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|---|
| Discount rate | 0.50% increase | - | - |
| | 0.50% decrease | - | - |
| Salary Growth Rate | 0.50% increase | - | - |
| | 0.50% decrease | - | - |
| Withdrawal rate | 10% increase | - | - |
| | 10% decrease | - | - |

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**C Maturity Profile of the defined benefit obligation**

| | As at March 31, 2024 | |
|---|---|---|
| | INR in Million | % |
| 2025 | - | - |
| 2026 | - | - |
| 2027 | - | - |
| 2028 | - | - |
| 2029 | - | - |
| 2030 - 2034 | - | - |

| | As at March 31, 2023 | |
|---|---|---|
| | INR in Million | % |
| 2024 | - | - |
| 2025 | - | - |
| 2026 | - | - |
| 2027 | - | - |
| 2028 | - | - |
| 2029 - 2033 | - | - |

**D Other employee benefit:**

Salaries, Wages and Bonus include INR 0.17 million (31 March, 2023 INR 0.21 million) towards provision made as per actual basis in respect of accumulated leave encashment/compensated absences.

**26 Related party disclosures:**

Related party disclosures as required under the Indian Accounting Standard –

**A Name of related parties and nature of relationship:**

**Related parties where control exists:**

| Description of relationship | Name of the related party |
|---|---|
| Ultimate Holding Company | Sadbhav Engineering Limited (SEL) |
| Holding Company | Sadbhav Infrastructure Project Ltd (SIPL) |
| Key Managerial Personnel | Mr Mahendrasinh Chavda(Director) (Date of Appointment: 24.05.2022) |
| | Mr Rajat Mondal (Additional Director) (Date of Appointment: 21.10.2023) |
| | Mr Jignasu Dixit (Additional Director) (Date of Appointment: 06.10.2023) |
| | Mrs Daksha Shah (Independent Director) (upto 31.10.2023) |
| | Mr Kalpesh Shah(Director) (upto: 18.10.2023) |
| | Mr Jatin Thakkar (Director) (upto: 29.08.2022) |

**B Transactions with related parties during the year:**

| | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|
| **Short term borrowings received** | | |
| SEL | - | 68.03 |
| SIPL | - | 11.06 |
| **Interest on short term borrowings** | | |
| SEL | - | - |
| **Operations and maintenance services availed** | | |
| SIPL | - | - |
| **Rent expenses** | | |
| SEL | - | - |
| **Reimbursement of Expenses** | | |
| SIPL | 6.19 | 4.67 |
| SEL | 1.56 | 0.46 |
| **Director Sitting Fees** | | |
| -Daksha Shah | 0.03 | 0.04 |
| -Rajat Mondal | 0.02 | - |
| -M S Chavda | 0.05 | - |
| -Kalpesh Shah | 0.02 | - |
| -Jignasu Dixit | 0.02 | - |

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**C Balances outstanding :**

| | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|
| **Other equity (sub-ordinate debts )** | | |
| SIPL | 4,688.73 | 4,688.73 |
| **Short term borrowings outstanding (including interest payable)** | | |
| SEL | 1,462.41 | 1,462.41 |
| SIPL | 11.06 | 11.06 |
| **Payable towards utility shifting** | | |
| SEL | 1.56 | 1.56 |
| **Payable towards operation & maintenance** | | |
| SIPL | 55.19 | 55.19 |
| **Rent and reimbursement of expenses** | | |
| SEL | 25.69 | 24.12 |
| SIPL | 19.08 | 12.89 |
| **Payable towards EPC contractor claim (including interest payable)** | | |
| SEL | 588.01 | 588.01 |
| **Director Sitting Fees** | | |
| -Rajat Mondal | 0.01 | - |
| -M S Chavda | 0.01 | - |
| -Kalpesh Shah | - | - |
| -Jignasu Dixit | 0.01 | - |
| -Daksha Shah | - | 0.04 |

**D Terms and conditions of the balance outstanding:**

1. The transactions with related parties are made on terms equivalent to those that prevail in arm's length tranasctions. Outstanding balances at the year-end are unsecured and interest free excepts short term loan for which settlement occurs in cash as per the terms of the agreement.
2. Short term loans in INR taken from the related party is interest free (March 31, 2023 : NIL).
3. The Company has not provided any commitment to the related party as at March 31, 2024 (March 31, 2023: INR NIL).

**27 Contingent liabilities and commitments:**

| | | March 31, 2024 (INR In Million) | March 31, 2023 (INR In Million) |
|---|---|---|---|
| A | **Claims against the Company not acknowledged as debts** | | |
| (i) | Claim filed by National Highway Authorities of India (NHAI) * | 203.45 | 203.45 |
| (ii) | Claim filed by National Highway Authorities of India (NHAI) ** | 6227.00 | 0.00 |

* NHAI had lodged claim against company on account of negative FRL which was referred to Arbitration. The Majority Award on 31.10.2020 by Tribunal was in favour of NHAI amounting to INR 203.40 Millions. The interest on delayed payment is awarded at 7.4% simple interest, as on 15/10/2023 works out to INR 247.9 Millions. The dissenting note by the Minority of the Tribunal had stated to reject the claim of NHAI in favour of Company. The Company has challenged the said Majority Award under Section 34 before the Delhi High Court, which is sub-judice.

**Against the Claim of the Company, NHAI has lodged Counter Claim amounting to INR 6227 Millions on account of recovery of negative change of scope,non maintenace of Project Highway, non deposition of Premium, recovery of payment of repair/replacement of damage/faulty equipment, recovery of payment deposited to labour court ,pending payment of electricity bills of highway lighting & toll plaza & non deposit of 50% share of Independent Engineer remuneration to NHAI.The company has submitted its reply on such Counter Claims.The Arbitral Proceedings for the same are currently ongoing.

B Below is the list of contingent liabilities against the company as on March 31, 2024

| Sr No. | Name of Party | Case No | Type of Case | Place of filing of case | Amount ( INR in Million) |
|---|---|---|---|---|---|
| 1 | Metro Infrasys Pvt. Ltd * | DL/11/S/NDC/01089 | MSME | MSEF Council District (New Delhi) | 1.71 |
| 2 | Riddhi Enterprise | CS SCJ/585/2023 | Civil Suit | Senior Civil Judge cum RC THC West Delhi | 0.24 |

*The amount involved is INR 3.28 Million out of which already provided in books is INR 1.57 Million as on March 31, 2024.

C Income Tax Contingent Liability in relation to outstanding demand as per Traces Protal as on March 31,2024 is INR 1.52 Millions.

**D Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances - INR Nil as at March 31, 2024(INR Nil as at March 31, 2023).

**28 Segment Reporting**

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

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**29 Disclosure of Financial Instruments by category**

(INR In Million)

| | Note no. | March 31, 2024 | | | March 31, 2023 | | |
|---|---|---|---|---|---|---|---|
| | | FVTPL | FVTOCI | Amortized cost | FVTPL | FVTOCI | Amortized cost |
| **Financial asset** | | | | | | | |
| Cash and cash equivalent | 8 | - | - | 2.33 | - | - | 1.56 |
| Other financial assets | 9 | - | - | 13,408.64 | - | - | 13,408.64 |
| **Total financial assets** | | - | - | **13,410.98** | - | - | **13,410.20** |
| **Financial liabilities** | | | | | | | |
| Current borrowings | 13 | - | - | 10,163.19 | - | - | 10,163.19 |
| Trade payables | 15 | - | - | 145.64 | - | - | 138.73 |
| Other financial liabilities | 16 | - | - | 7,463.38 | - | - | 7,465.78 |
| **Total financial liabilities** | | - | - | **17,772.21** | - | - | **17,767.68** |

**30 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)

| Particular | March 31, 2024 | | March 31, 2023 | |
|---|---|---|---|---|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| **Financial liabilities** | | | | |
| Other financial liabilities - premium obligation | 3,982.55 | 3,982.55 | 3,982.55 | 3,982.55 |
| **Total Financial Liabilities** | **3,982.55** | **3,982.55** | **3,982.55** | **3,982.55** |

**Notes:**

a. The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair value since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

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.

**31 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, 2024 and March 31, 2023

(INR In Million)

| | Note | Fair value measurement using Significant observable inputs (Level 2) | |
|---|---|---|---|
| | No. | March 31, 2024 | March 31, 2023 |
| **Liabilities measured at fair value** | | | |
| **liabilities for which fair values are disclosed** | | | |
| Other Financial Liabilities - Premium Obligation | 16 | 3,982.55 | 3,982.55 |

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

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**32 Financial instruments risk management objectives and policies**

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

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

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

**(a) Market risk**

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

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

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

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

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and provisions.
The following assumption has been made in calculating the sensitivity analyses:
'- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at March 31, 2024 and March 31, 2023.

**Interest rate risk**

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
The interest risk arises to the Company mainly from long term borrowings with variable rates. The Company manages its interest rate risk by having a floating interest rate loans and borrowings. The Company measures risk through sensitivity analysis.
The bank finances are at variable rate, which is the inherent business risk.

**Interest rate sensitivity**

In View of termination of the project undertaken by the company, interest expense not charged into book in current year and therefore the Profit / Loss after tax shall not have any impact duirng the year. Consequently, impact on profit/loss after tax due to increase or decrease of interest rate has not been calculated.

**(b) Credit risk**

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

**Financial instruments**

Credit risk from balances with banks and financial institutions is managed by the Company's finance and accounts department in accordance with the Company's policy. Investments of surplus funds are made only in accordance with company policy. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the balance sheet as of March 31, 2024 is INR 2.33 million and March 31, 2023 is INR 1.56 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 company measures risk by forecasting cash flows.

In View of termination of the project undertaken by the company,it has encountered difficulty in meeting obligations associated with bank borrowing and other payable.Due to default in payment obligation to the consortium banks, some banks have classified account of the company as Non-Performing.

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

(INR in million)

| Particulars | Total Amount | On Demand | upto 1 year | 1-2 years | 2 - 5 years | > 5 years |
|---|---|---|---|---|---|---|
| **As at March 31, 2024** | | | | | | |
| Current borrowings | 10,163.19 | 1,378.46 | 8,784.73 | - | - | - |
| Trade payables | 145.64 | - | 145.64 | - | - | - |
| Other financial liabilities | 7,463.38 | - | 7,463.39 | - | - | - |
| **Total** | **17,772.21** | **1,378.46** | **16,393.76** | - | - | - |

| Particulars | Total Amount | On Demand | upto 1 year | 1-2 years | 2 - 5 years | > 5 years |
|---|---|---|---|---|---|---|
| **As at March 31, 2023** | | | | | | |
| Current borrowings | 10,163.19 | 1,378.46 | 8,784.73 | - | - | - |
| Trade payables | 138.73 | - | 138.73 | - | - | - |
| Other financial liabilities | 7,465.78 | - | 7,465.78 | - | - | - |
| **Total** | **17,767.69** | **1,378.46** | **16,389.24** | - | - | - |

**33 Capital Management**

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

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

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

The key performance ratios as at 31 March are as follows

| | | March 31, 2024 (INR in million) | March 31, 2023 (INR in million) |
|---|---|---|---|
| Current borrowings (refer note 13) | | 10,163.19 | 10,163.19 |
| | Total (A) | **10,163.19** | **10,163.19** |
| Equity share capital (refer note 11) | | 21.86 | 21.86 |
| Other equity (refer note 12) | | (4,411.09) | (4,404.09) |
| Add: Deficit in statement of profit and loss account (refer note 12) | | 9,295.70 | 9,288.70 |
| | Total (B) | **4,906.48** | **4,906.47** |
| | **Debt equity ratio (A/B)** | **2.07** | **2.07** |

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

**A Description and classification of the arrangement**

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

**B Significant Terms of the arrangements**

**i Revision of Fees:**

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

**ii Modification of concession period:**

The Concession period shall be modified:

a If Actual Average Traffic falls short of Target Traffic by more than 2.5%, the concession period shall be increased by 1.5% thereof for every 1% shortfall, but not more than 20% of the concession period.

b If Actual Average Traffic exceeds Target Traffic by more than 2.5%, the concession period shall be reduced by 0.75% thereof for every 1% increase, but not more than 10% of the concession period.

c If the average daily traffic exceeds the designed capacity of the project highway, the concession period shall be extended (not more than 5 years) in such a way so as to enable the concessionaire to yield Equity IRR of 16% p.a with an assumption of debt equity ratio of 70:30.

d If the additional tollway has been constructed, either the concession period shall be extended or compensation has been granted.

e The concessionaire shall pay Additional Concession fees of INR 450.00 Million for each year of concession period out of the gross revenue of the project as share of Authority from COD, Premium shall be determined by increasing the amount of premium in the respective year by an additional 5% as compared to preceding year.

f Authority (NHAI) has granted deferment of Premium payable to NHAI as per the deferment schedule upto year 2026-27 and entire premium payable before end of one year from end of concession period.

g In case of material default or breach of agreement by NHAI which causes suspension of or reduction in collection of Fees, it shall pay to the Concessionaire, the compensation for consequence of such material default or extend the concession period.

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

**iii Rights of the Company to use project highway**

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

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

**iv Obligation of the company**

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

b The Concessionaire is under obligation to carry out the routine and periodic maintenance of Project Highway as per Schedule K of the SCA.

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

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

**vi Details of Termination**

SCA can be terminated on account of default of the company or NHAI in the circumstances as specified under article 37 of the SCA.During the year, the company has issued concession termination notice to NHAI on July 27,2021 by exercising the criteria of 'Event of Defaults' under concession agreement.

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

D As per the Concession Agreement; the Concessionaire, in case any force majeure event occurs after COD, whereupon the Concessionaire is unable to collect fee despite making best efforts or it is directed by authority to suspend the collection thereof during the subsistence of such force majeure event, the Concession periodshall be extended by a period equal in length to the period during which the concessionaire was prevented from collection of fee on account thereof, provided that in the event of partial collection of fee where the daily collection is less than 90% of average daily fee, the authority shall extend the concession period in proportion to loss of fee on daily basis.Refer note 38.

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35 From December 25, 2020 , the toll collection was forcefully suspended due to agitation and protest held by farmers and other unions against agri-marketing laws. Accordingly, the company was not able to collect toll user fees from December 25, 2020. The company had sent various communications to authorities for such forceful suspension of toll including revenue loss claim. Accordingly, the company had issued notice of termination of Concession Agreement to NHAI on July 27, 2021 under Force Majeure Event of Concession Agreement. The Termination Payment and other payments due from NHAI were pending for the long time. The company had attempted conciliation of the issues of the Project for amicable settlement. Due to non-progress of the same, the Company vide letter dated 24.03.2023 had notified the Conciliation Committee and NHAI regarding the failure of the Conciliation Proceedings. The said matters were referred to Arbitration by the Company on 27.03.2023. The Company has lodged a total claim amounting to INR 19,379.24 Millions relating to termination payment, Force Majeure Costs due to Force Majeure event of Farmer's Agitation, COVID-19, & Demonetization, and NPV of extension entitled due to Force Majeure event of Farmers agitation and Covid19 . The NHAI had lodged its Counter Claims amounting to INR 6,227 Millions. The Company had submitted its reply on such counter claims.The Arbitral proceedings for the same are currently ongoing.The current stage of arbitral proceeding is that cross examination of the company's witnesses has been completed and NHAI's witnesses are to be taken up.
Considering the above circumstances the company has prepared accounts on non-going concern basis during the year.

***Details of Claim filed by the Company on NHAI**

| Sr. No. | Description | Amount (INR In Million) | Remarks |
|---|---|---|---|
| 1 | Amount towards Termination Payment | 15,290.58 | As per letter dated October 07,2023 |
| 2 | Amount towards Operation & Maintenance cost and interest on debt during Farmer's Agitation | 868.69 | As per letter dated October 07,2023 |
| 3 | Amount towards Operation & Maintenance cost and interest on debt on account of Force Majeure Event of First Wave of COVID-19, Nationwide Lockdowns, etc. as per Financial Model | 447.08 | As per letter dated October 07,2023 |
| 4 | Amount towards pending payment on account of Demonetization Claim | 44.92 | As per letter dated October 07,2023 |
| 5 | Amount towards Arbitration Award dated 06.10.2017 | 1,211.90 | The dispute of Claim for Additional Cost on account of ban of quarrying of stone and loss of Toll collection due to delayed issuance of Provisional Certificate was referred to Arbitration. An unanimous Award dated 06.10.2017 by Arbitral Tribunal was awarded in favour of Company amounting to INR 890.2 Millions (amount inclusive of costs & interest pendente lite)plus delayed interest. This Award was challenged by NHAI under Section 34 before the Delhi High Court.The Delhi High Court has passed its Judgment dated 16.02.2023 wherein one claim was set aside (loss of Toll collection) and one claim was upheld (Additional Cost on account of ban of quarrying of stone) along with its pendente lite interest and delayed interests, etc. The Delhi High Court in its Judgment dated 16.02.2023, the value of award payable by NHAI to RPTPL as on 15.10.2023 works out to INR 1,211.90 Millions. NHAI has challenged the said award under Section 37 before Division Bench of Delhi High Court which is sub-judice. The Company also has payable of INR 588.01 million against this amount, which has been disclosed under " Other current financial liabilities". |
| 6 | Amount towards NPV of Extension to Concession Period on account of Force Majeure Event of COVID-19 | 905.82 | As per letter dated October 07,2023 |
| 7 | Amount towards NPV of Extension to Concession Period on account of Force Majeure Event of Farmer's Agitation | 1,822.14 | As per letter dated October 07,2023 |
| | Total | 20,591.14 | |

36 The Arbitration matter of Competing Road was referred to Arbitration. In the said matter, the majority award was passed on May 30,2023 in favour of NHAI setting aside claims of Company and Minority Award dated 05.06.2023 in favour of Company amounting to INR 8,509.8 Millions. The Company has challenged the Majority Award dated 30.05.2023 and filed a petition under Section 34 of Arbitration & Conciliation Act 1996 before the Hon'ble Delhi High Court to set aside the Majority Award dated 30.05.2023.The same is sub-judice before Hon'ble Delhi High Court.

37 NHAI had lodged claim against company on account of negative FRL which was referred to Arbitration. The Majority Award on 31.10.2020 by Tribunal was in favour of NHAI amounting to INR 203.40 Millions. The interest on delayed payment is awarded at 7.4% simple interest, as on 15/10/2023 works out to INR 247.9 Millions. The dissenting note by the Minority of the Tribunal had stated to reject the claim of NHAI in favour of Compnay. The Company has challenged the said Majority Award under Section 34 before the Delhi High Court, which is sub-judice.

**38 Events Occuring after the Balance Sheet date**

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of there were no subsequent events to be recognized or reported that are not already disclosed.

39 The Company does not have any transaction to which the provision of Ind AS-2 relating to "Valuation of Inventories" applies.

40 In the opinion of the Board, the current assets, loans & advances, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

**41 Ratios**

The Company has presented its financials on Non-going concern, therefore, ratio analysis as required by Schedule III (Revised) has not been presented.

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**42 Additional regulatory information required by Schedule III**

**Details of benami property held**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

**Borrowing secured against current assets**

The Company has term loan borrowings from banks and financial institutions on the basis of security as referred in Borrowing Security Clause including current assets. The required periodic information has been complied by the Company which are in agreement with the books of accounts.

**Wilful defaulter**

None of the entities in the Company has been declared wilful defaulter by any bank or financial institution or government or any government authority.

**Relationship with struck off companies**

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

**Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**Utilisation of borrowed funds and share premium**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

**Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

43 This is to inform that vide Deed of Assignment dated March 28,2024 and under the provisions of Section 5 of the SARFAESI Act, the consortium of lenders, (Punjab National Bank,Canara Bank, Bank of Baroda,Indian Bank & IIFCL-"Assignors"),have assigned/transferred the outstanding debt/financial assets along with underlying securities interest,pledge of shares,gurantee receivable etc charged for such financial assistances granted to the company("Borrower) in favour of NARCL and NARCL acting in its capacity as Trustee of NARCL Trust-0017 has acquired all such its rights,title, and interest in respect of the financial debt of the Borrower.

44 The financial statements were authorized for issuance by the Board of Directors of the Company in their meeting held on May 14, 2024.

**As per our report of even date**

**For Gianender & Associates**
**Chartered Accountants**
**ICAI Firm Registration No. 004661N**

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

**G.K. Agrawal**
**Partner**
**Membership. No. 081603**

**Place: New Delhi**
**Date: May 14, 2024**

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

**Mahendrasinh R Chavda**
**Director**
**DIN No: 02607067**

**Place: Ahmedabad**
**Date: May 14, 2024**

Rajat Mondal

**Rajat S Mondal**
**Director**
**DIN No: 09811116**

ROHTAK-PANIPAT TOLLWAY PVT. LIMITED