

RANCHI EXPRESSWAYS LIMITED

**11TH
ANNUAL REPORT
2021-22**

RANCHI EXPRESSWAYS LIMITED

BOARD OF DIRECTORS

Sri. N.Seethaiah	-	Director
Sri. K.Srinivasa Rao	-	Director
Sri. M Madhu	-	Director

AUDITORS:

Ghoshal & Ghoshal
Chartered Accountants
Flat No.204, Anand Plaza,
Opp. R.R District Collectorate
Lakdikapul, Hyderabad-500004

SECRETARIAL AUDITOR(S)

Sri. Venkat Krishna Reddy
Practicing Company Secretary
Flat # C-1,4th Floor,Eureka Court,Behind Image Hospitals,
Ameerpet, Hyderabad-500073

REGISTERED OFFICE:

Plot No.1129/A, 3rd Floor, Road No.36,
Jubilee Hills, Hyderabad-500 033

BANKERS:

Canara Bank (Lead Bank)
Allahabad Bank Now (Indian Bank)
Corporation Bank Now (Union Bank of India)
Dena Bank Now (Bank of Baroda)
ICICI Bank Limited
IDBI Bank Limited
India Infrastructure Finance Company Limited
The South Indian Bank Limited
Federal Bank
Punjab National Bank (Formerly known Oriental Bank of Commerce)
Punjab & Sind Bank
Vijaya Bank Now (Bank of Baroda)
State Bank of India

RANCHI EXPRESSWAYS LIMITED
NOTICE OF ELEVENTH ANNUAL GENERAL MEETING

To
The Members of
Ranchi Expressways Limited.

NOTICE is hereby given that the **ELEVENTH (11TH)** Annual General Meeting of the Members of. **Ranchi Expressways Limited (CIN: U45209TG2011PLC073568)** will be held on **Friday, 23rd Day of September 2022 at 02.00 PM** at the Registered office of the Company Situated at **Plot No.1129/A,3rd Floor, Road No.36, Hi-tech City Road, Jubilee Hills, Hyderabad-500 033** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the Year Ended 31st March, 2022, together with the reports of the Board of Directors and the Auditors thereon.
2. Appointment of Auditors of the Company

To Consider and, if thought fit, pass with or without modifications, the following resolution as an ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder Ghoshal & Ghoshal, Chartered Accountants, Flat No.204, Anand Plaza, Opp. R.R District Collectorate, Lakdikapul, Hyderabad-500 004, (Firm Regn. No. 304013E) whose tenure expires on this AGM be and are hereby re-appointed as Statutory Auditors of the Company and to hold office for a period of Five years until the conclusion of 16th AGM of the Company

3. To appoint director in place of Sri. Srinivasa Rao Kamma (**DIN:00022855**), who retires by rotation and being eligible, offers him for reappointment

By Order of the Board
Ranchi Expressways Limited



Srinivasa Rao Kamma
Director
DIN: 00022855

Place: Hyderabad
Date: 27.05.2022



NOTES

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. Proxies in order to be effective must be received at the Registered Office of the Company at any time but not less than 48 hours before the commencement of the meeting. A proxy form is enclosed.
3. Corporate Members need to send their Authorized Representatives along with a copy of Board resolution authorizing them to participate in the meeting. And Authorized representative need not be a member of the company.
4. Members seeking any information with regards to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready for the Meeting.

EXPLANATORY STATEMENT

(Pursuant to section 102(1) of the Companies Act, 2013)

#None of the Items in notice require any Explanatory Statement under this section 102(1)#



RANCHI EXPRESSWAYS LIMITED
CIN: U45209TG2011PLC073568

Reg off: Plot No.1129/A, 3rd Floor, Road No.36, Hitech City Road, Jubilee Hills Hyderabad-500033, Telangana, India

Tel 040-235569001: Fax: 040-23556005: website: www.madhucon.com

FORM NO. MGT-11
PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

11TH ANNUAL GENERAL MEETING- Friday, 23rd Day of September, 2022
At Registered Office of the Company

Name of the Company	: RANCHI EXPRESSWAYS LIMITED
Registered office	: Plot No.1129/A, 3 rd Floor, Road No.36 Hitech City Road, Jubilee Hills, Hyderabad-500033, Telangana, India
Name of the Member(s)	:
Registered Address	:
E-mail ID	:
Folio No/Client ID	:
DP ID (If Applicable)	:

I/We, being the member(s) of shares of the above named company, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:

and whose signature (s) are appended below as my proxy to attend and vote (on poll) on my behalf at the 11TH Annual general meeting of the Company, to be held on Friday, 23rd Day of September 2022 at Registered Office and at any adjourned thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Vote**	
		For	Against
Ordinary Business			
1	To receive, consider and adopt the Audited Financial Statements for the Year Ended 31st March, 2022, together with the reports of the Board of Directors and the Auditors thereon.		
2	Re-appointment of Ghoshal & Ghoshal, Chartered Accountants, Firm Regn. No. 304013E as Statutory Auditors of the Company to hold office from the conclusion of this AGM, for a period of		



	Five years until the conclusion of 16th AGM of the Company		
3	To appoint director in place of Sri. Srinivasa Rao Kamma (DIN:00022855), who retires by rotation and being eligible, offers him for reappointment		

Signed this ----- 2022.

Affix
Revenue
Stamp
here

Signature of Shareholder

Signature of Proxy holder (S)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



RANCHI EXPRESSWAYS LIMITED
DIRECTORS' REPORT

To,
The Members of
Ranchi Expressways Limited

Your Directors have pleasure in presenting their Eleventh (11Th) Annual Report together with Audited Financial Statement for the financial Year Ended 31st March, 2022.

Financial highlights

Particulars	2021-22	2020-21
Operating Income	NIL	NIL
Other Income	NIL	NIL
Total Income	NIL	NIL
Operating Expenses	NIL	NIL
Finance Costs	NIL	NIL
General and Administration Expenses	10,539	NIL
Total Expenses	(10,539)	NIL
Profit / (Loss) from Continuing Operations	(10,539)	NIL
Add: Other Comprehensive income	NIL	NIL
Total Comprehensive Income for the Period	(10,539)	NIL

Dividend

During the year 2021-22, Company has not earned any profit and hence not recommended dividend.

Transfer to reserves

Due to losses in financial year 2021-22, resulting in debit balance in retained earnings, no amount has been transferred to reserves.

Deposits

During the year under review, your Company has not accepted nor renewed any deposits covered under Chapter V of the Act.



Extract of annual return

The extracts of Annual Return pursuant to the provisions of Section 92(3) of the Companies Act, 2013 ("the Act") read with Rule 12(1) of the Companies (Management and administration) Rules, 2014, in Form MGT-9 is as per **Annexure-I** and forms part of this report.

Change in the nature of business

There are no such changes in the nature of business during the year under review.

Material changes and commitments, if any affecting the financial position, occurred between end of the financial year and the date of the report: None

Significant and material orders passed by the courts and tribunals

1. A Public Interest Litigation (PIL), WP (PIL) No.3503/14 is pending at the Hon'ble High Court of Jharkhand.
2. NHAI has terminated the Concession Agreement on 30th January, 2019 and further the Performance Bank Guarantee of Rs.73.96 Crs was invoked.
3. The company referred the matter to Conciliation Committee of Independent Experts (CCIE) of NHAI for settlement of dues with NHAI which not concluded and the Company initiated Arbitration Proceedings.
4. External Agencies i.e CBI Filed case against the Company
5. Enforcement Directorate (ED) has raided the Company on June 11 and 12 of 2021 and seized the records of the Company and they are in the process of collection information and our company obeys with order of the department.

Changes in directors and key managerial personnel

During the year under review, there are no changes in the constitution of Board of Directors and/or Key Managerial Personnel.

Director(s) retirement by rotation

As per the provisions of Companies Act, 2013 and Articles of Association of Company, Sri K.Srinivasa Rao (DIN: 00022855) retires by rotation and being eligible, offers himself for reappointment.

Directors' responsibility statement

Pursuant to the requirement under section 134(3) (c) of the Companies Act, 2013, it is hereby Confirmed:

- a) That in the preparation of annual accounts for the Financial Year Ended 31st March, 2022; the applicable Accounting Standards have been followed along with proper explanation relating to material departures.



- b) That the Directors have selected Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company, at the end of the financial year and of the profit or loss of the Company for that period.
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- d) That the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- e) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Formal annual evaluation of directors

The performance of Directors is evaluated by the Board (excluding the Director being evaluated) on the following criteria.

Evaluation Criteria:

- Contribution to development of strategy and risk management.
- Guidance on corporate strategy, risk policy, corporate governance practices.
- Independent and unbiased decisions/opinions etc.

Compliance with secretarial standards on board meetings and general meetings:

The Company has complied with Secretarial Standards issued by the institute of Company Secretaries of India (ICSI) on Board Meetings and General Meetings.

Board meetings

The Board met 5 (Five) times during the financial year 2021-22 on 25TH June 2021, 23RD July 2021, 23RD August 2021, 1ST September, 2021, 08TH February, 2022

Statutory auditors

M/s. Ghoshal & Ghoshal, Chartered Accountants, Hyderabad (Firm Regn. No. 304013E), whose tenure of Appointment expires on this AGM be and are hereby re-appointed as statutory Auditor of the Company to hold office for a period of Five Years until the conclusion of 16th AGM of the Company, subject to ratification of Appointment by members at every AGM, at such remuneration as decided by the Board of Directors of the Company in consultation with the Auditors."



State of company's affairs and board's response to observations in audit report

Ranchi Expressways Limited was incorporated under the Companies Act, 1956, on 29th Day of March, 2011 as a Special Purpose Vehicle for Design, Build, Finance, Operate and Transfer (DBFOT) of Four Laning of Ranchi-Rargaon-Jamshedpur Section of NH-33 from Km. 114.000 to Km. 277.500 in the state of Jharkhand on DBFOT (Annuity) basis for a concession period of 15 years. This contract was awarded by National Highway Authority of India. The Company shall hand over the Project Highway to NHAI on expiry of the Concession Period.

The company has achieved physical progress of 50.24% and approached NHAI for One Time Fund Infusion (OTFI) for completion of the remaining stretch. NHAI has initially sanctioned an amount of Rs.223 Crs as One Time Fund Infusion and subsequently NHAI has gone back by cancelling the already sanction OTFI amount of Rs.223 Crs. Lenders and the company have preferred One Time Settlement (OTS) with NHAI for the works already completed.

While negotiations are going on for OTS proposal, NHAI has terminated the Concession Agreement on 30/01/2019 without following the termination procedure laid down in the Concession Agreement and called for tenders from public to complete the balance work on EPC basis. In view of the above going concern assumption is not appropriate and therefore Financial Statement have been drawn accordingly.

Secretarial audit report

As required under Section 204 of the Companies Act, 2013 and rules made thereunder, the board has appointed Sri. Venkat Krishna Reddy, Practicing Company Secretary (ACS-53083, CP-19542), to carry on the Secretarial Audit for the financial year 2021-22. The Secretarial Audit report in form MR-3 is attached to this report as Annexure III and forms part of this report.

Composition of audit committee

The Audit Committee consisting of Board members as follows:

The Ministry of Corporate Affairs (MCA), Government of India, through a Circular dated July 13, 2017, exempted the certain classes of unlisted public companies from the requirements of constituting the Audit Committee and the Nomination and Remuneration Committee. In view of the aforesaid Circular, the Company has been exempted by the MCA from constituting the aforesaid committee, as Madhucon Project Limited (Listed Entity) is an Ultimate Holding Company which holds shares through their wholly owned subsidiaries.

Accordingly, the Audit Committee of the Company was dissolved with requisite approval of the Board.



Corporate social responsibility

The Company does not fall under the criteria specified in Section 135 of the Act and hence no policy was developed by the company on Corporate Social Responsibility.

Related party transactions

All related party transactions during the financial year 2021-22 were in the ordinary course of business at arms-length price and the Particulars of contracts or arrangements with related parties in form No. AOC-2 as required pursuant to provisions of Section 134(3)(h) and Rule 8 of Companies (Accounts) Rules, 2014 are as per **Annexure - II** and forms part of this report.

Particulars of loans, investments, guarantees and securities

Loans, Guarantees and Investments of the Company were in compliances with Sec 180 and Sec 186 of the Companies Act 2013.

Information as per section 134 (3) (m) the companies act, 2013 read with rule 8 of companies (accounts) rules, 2014

(a) Conservation of energy and technology absorption: The Company is taking steps with respect to conservation of Energy and Technology absorption and making continuous efforts to keep the employees informed of all emerging technologies and developments which are relevant to Business of the Company.

(b) Foreign exchange earnings and outgo: NIL

Adequacy of internal financial controls

The Company has structured and implemented a process Driven framework for Internal Financial Controls ("IFC") in terms of the explanation to Section 134(5)(e) of the Companies Act, 2013. The Board of Directors of the Company is of the opinion that the Company has sound IFC for the year 2021-22. The Company is continuously monitoring and identified the gaps if any, and implements improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

Further, Your Company has adequate system of Internal Financial Control developed by our in-house Internal Audit team consisting of qualified and experienced accounting, costing and technical professionals. The Internal Audit Team suggests various means of cost reduction and cost control measures in all resources used in the Company. The Internal Financial Control Systems and the Reports of Internal Audit will be reviewed by the Audit Committee in consultation with the Internal Auditors and Statutory Auditors and experts in the field thereafter by Board of Directors.



Acknowledgements

Your Directors place on record their appreciation for the co-operation and assistance received from the Government Authorities, NHAI, Bankers and Clients during the period under review. Your Directors also extend their appreciation for the valuable work rendered by the employees for the development of the Company at various levels.

**For and on behalf of the Board of Directors of
Ranchi expressways limited**



Srinivasa Rao Kamma
Director
DIN: 00022855



Madhu Malampati
Director
DIN: 00368625

Place: Hyderabad
Date: 27.05.2022



ANNEXURE I**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2022****(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014)****I. Registration & other details**

1.	CIN	U45209TG2011PLC073568
2.	Registration Date	29.03.2011
3.	Name of the Company	RANCHI EXPRESSWAYS LIMITED
4.	Category/Sub-category of the Company	Company Limited by Shares
5.	Address of the Registered office & contact details	Plot No.1129/A, 3 rd Floor, Road No.36, Hitech City Road, Jubilee Hills, Hyderabad-500033, Telangana
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	KFintech Pvt Ltd Tower – B, Plot No 31 & 32, Selenuim Building Financial District, Nanakramguda, Gachibowli, Hyderabad, Telangana 500032.

II. Principal business activities of the company

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Development of 4 laning of Ranchi-Rargaon-Jamshedpur Section of NH-33 from Km 114.000 to Km 277.500 in the state of Jharkhand under NHAI Phase-III on Design, Build, Finance, Operate and Transfer (DBFOT) Annuity Basis, on a concession period of 15 years. The construction work is under progress.	421	100%



III. Particulars of holding, subsidiary and associate companies:

S.No	Name of the Company and CIN	Holding/ Associate	Subsidiary/ Associate	% of shares held
1	Madhucon Projects Limited	Ultimate Holding		0.017
2	Madhucon Infra Limited	Holding company of Holding Company		0.020
3	Madhucon Toll Highways Limited	Holding Company		99.938

IV. Share holding pattern (Equity share capital breakup as percentage of total equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01 st Apr 2021]				No. of Shares held at the end of the year[As on 31-March-2022]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	20000	20000	0.025	0	20000	20000	0.025	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	80780000	0	80780000	99.975	80780000	0	80780000	99.975	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	80780000	20000	80800000	100	80780000	20000	80800000	100	0
B. Public Shareholding									
1. Institutions									
a) Mutual	0	0	0	0	0	0	0	0	0



Funds										
b) Banks / FI	0	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0	0
2. Non-Institutions										
a) Bodies Corp.	0	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0	0
Overseas Corporate	0	0	0	0	0	0	0	0	0	0



Bodies									
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	80780000	20000	80800000	100	80780000	20000	80800000	100	0

B) Shareholding of promoters-

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Nama Seethaiah	8888	0.025	0	8888	0.025	0	0
2	Nama Krishnaiah	8888			8888			0
3	Kamma Srinivasa Rao	888			888			0
4	Nama Prithvi Teja	888			888			0
5	M. Madhu	448			448			0
6	Madhucon Infra Limited	16000	0.020	93.08%	16000	0.020	93.08%	0
7	Madhucon Toll Highways Limited	80750000	99.938		80750000	99.938		0
8	Madhucon Projects Limited	14000	0.017		14000	0.017		0



C) Change in promoters' shareholding (please specify, if there is no change)

-----There is no change in Promoters shareholding -----

SN	Particulars	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year 01.04.2021	80800000	100	80800000	100
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
3	At the end of the year 31.03.2022	80800000	100	80800000	100

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs)

There are no Top ten shareholders who are Other than Directors, Promoters and Holders of GDRs and ADRs.

E) Shareholding of directors and key managerial personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	10224	0.013	10224	0.013
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	10224	0.013	10224	0.013



V) Indebtedness –

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

The Details were stated in Notes to the Audited Financial Statements for the year 2021-22.

VI. Remuneration of directors and key managerial personnel: Nil

VII. Penalties / punishment/ compounding of offences:

There are no Penalties, Punishments and Compounding Levied/Prosecuted on any of the Directors, other officers and on Company during the year 2021-22. On these grounds, this heading is not applicable.

**For and on behalf of the Board of Directors of
Ranchi expressways limited**



Srinivasa Rao Kamma

Director

DIN: 00022855



Madhu Malampati

Director

DIN: 00368625

Place: Hyderabad

Date: 27.05.2022



ANNEXURE-II**FORM NO. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: None

(a) Name(s) of the related party and nature of relationship	Not applicable
(b) Nature of Contract(s) or arrangement(s)	
(c) Duration of the Contracts/arrangements/ Transactions	
(d) Salient terms of the Contracts/ arrangements/transactions including the value, if any	
(e) Justification for entering into such contracts/arrangements/transactions	
(f) Date(s) of approval by the board	
(g) Amount paid as advances, if any	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship	As stated in Notes (Note 36) to Audited Financial Statements.
(b) Nature of Contract(s) or arrangement(s)	
(c) Duration of the Contracts/arrangements/ Transactions	
(d) Salient terms of the Contracts/ arrangements/transactions including the value, if any	
(e) Date(s) of approval by the board	
(f) Amount paid as advances, if any	

**For and on behalf of the Board of Directors of
Ranchi expressways limited**

Place: Hyderabad
Date: 27.05.2022


Srinivasa Rao Kamma
Director
DIN: 00022855


Madhu Malampati
Director
DIN: 00368625





INDEPENDENT AUDITOR'S REPORT

To,
The Members of Ranchi Expressways Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone financial statements of **Ranchi Expressways Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the statement of Profit and Loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information, (herein after referred to as "standalone Ind AS financial statements")

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules thereunder.

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matters

Ranchi Expressways Limited (REL), a Public Limited Company, was incorporated under the Companies Act, 1956, on 2nd Day of June, 2010 as a Special Purpose Vehicle for Design, Build, Operate, Finance and Transfer of 4 laneing of Ranchi-Rangoan-Jamshedpur section of NH-33 from KM 114.00 to Km 277.500 in the state of Jharkand on annuity basis for a concession period of 15 years. This contract was awarded by NHAI. The company shall hand over the Project Highway to NHAI on expiry of concession period.

The company has achieved physical progress of 50.24% and approached NHAI for One Time Fund Infusion (OTFI) for completion of the remaining stretch. NHAI has initially sanctioned an amount of Rs.223 Crs as One Time Fund Infusion and subsequently NHAI has gone back by cancelling the already sanction OTFI amount of Rs.223 Crs. Lenders and the company have preferred One Time Settlement (OTS) with NHAI for the works already completed.

While negotiations are going on for OTS proposal, NHAI has terminated the Concession Agreement on 30/01/2020 without following the termination procedure laid down in the Concession Agreement[as informed by the company]. Since project got terminated, Lenders are seeking for One Time Settlement. Company and Lenders agreed and requested the NHAI to refer the matter to Conciliation Committee of Independent Engineers (CCIE).

The NHAI had given the consent for referring the matter to CCIE vide its letter dated 18-04-2019. The company has submitted the claim with NHAI. The proceedings of CCIE were commenced on 25-09-2019 as informed by the management. It is also informed that Arbitration Proceedings have also commenced.

CBI has filed FIR against the Company, Promoters and Directors on 12/03/2019 under Prevention of Corruption Act and Indian Penal Code. Subsequently, the Enforcement Directorate has raided the premises of the company on 11-6-2022 and the investigation is under progress.

Cost incurred on the project up-to 31st March, 2022 Rs. 13,40,92,93,907/- instead of writing-off, has been accounted as Claims receivable under the head "Other Financial Assets" which is in contravention



of the provisions of Indian accounting standard Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets) claims being contingent asset in nature. This has resulted in over-statement of Current Assets by Rs.13,38,73,49,514/- and understatement of cumulative loss by the same amount.

In view of the above, the termination of the Concession Agreement indicates the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern.

Interest on Loans is not provided for during the year under audit.

Our opinion is not modified in respect of these matters.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS :

- a) In the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2022.
- b) In the case of Profit and Loss Account, of the profit/ loss account for the year ended March 31, 2022
- c) In the case of Cash Flow Statement, of the cash flows for the year ended March 31, 2022.



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 in India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

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

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

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books,

(c) The Balance Sheet, the Statement of Profit and Loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone In AS financial statements comply with the "Accounting-Standards" specified under Section 133 of the Act read with relevant rule issued thereunder;

(e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of on 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

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

- i. The Company does not have any pending litigations other than the claims with NHAI which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



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

For GHOSHAL & GHOSAL

Chartered Accountants

Firm Reg. No. 304013E

For GHOSHAL & GHOSAL
Chartered Accountants
FRN: 304013E



(SSR Gupta)

Partner

M. No. 023640 S.S.R. GUPTA, M.No. 023640

Hyderabad

Date:

PARTNER

Annexure - A to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of **Ranchi Expressways Limited** ("The Company") on the standalone Ind AS financial statements for the year ended 31st March 2022, we report that:

- (i) The company has no fixed assets as on 31st March 2022, therefore the paragraph 3(i) of the Order is not applicable to the company.
- (ii) The Company is engaged in the business of infrastructure development and maintenance and hence, reporting under clause 2(ii)(a),(b) & (c) of the Companies (Auditor's Report) Order 2020 relating to inventory are not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') by the respective entities, except for Madhucon Projects Limited, ultimate holding company.
- (iv) According to the information and explanations given to us, the Company has neither granted any loans nor made investments or has given guarantees or security to the persons specified under Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits. Therefore, the provisions of the clause (v) of paragraph 3 of the Companies (Auditor's Report) Order, 2020 are not applicable to the company.
- (vi) Maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 and accordingly clause (vi) of paragraph 3 of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of the examination of the books of accounts, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, income tax and any other statutory dues to the appropriate authorities, though there has been delay in few cases.
(b) According to the information and explanations given to us, there are no dues which have not been deposited on account of any dispute of income tax on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, there are no transactions that are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) The Company has not taken term loans from banks and financial institution.
- (x) a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



- (xi) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) In our opinion and according to the information and explanations given to us, the company has no internal audit system commensurate with the size and nature of its business.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (xvii) According to the information and explanations given to us and based on our examination of the records of the company, the company has incurred cash loss of Rs. 22,440/- in the financial year and Rs. 35,491/- in the immediately preceding financial year.
- (xviii) According to the information and explanations given to us and based on our examination of the records of the company, there has been no resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, knowledge of the Board of Directors and management plans, no 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.
- (xx) According to the information and explanations given to us and based on our examination of the records of the company, section 135(5) is not applicable to the company.
- (xxi) According to the information and explanations given to us and based on our examination of the records of the company, consolidated financial statements is not applicable to the company.



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Ranchi Expressways Limited** ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal control system over the financial reporting as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



16 Other Financial Liabilities - Non Current

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Retention money- Madhucon Projects Limited- Ultimate Holding Company		
Total	-	-

17 Long Term Provisions

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Gratuity		
Leave Encashment		
Total	-	-

18 Trade Payable

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Due to related parties		
Utility Shifting Payable - Madhucon Projects Limited	48,149,648	48,149,648
Total	48,149,648	48,149,648

19 Other Financial liabilities - Current

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Interest accrued and due on borrowings	357,486,506	357,486,506
Audit Fee payable	1,250	123,100
Retention money Payable	13,315	13,315
Payables to related party		
Other payable		
Madhucon Infra Limited- Holding company of holding compa	19,319,084	23,870,815
Trichy-Thanjavur Expressways Limited-	-	2,500,000
Other payables	151,181,183	151,726,185
Salary payable	347,576	347,576
Total	528,348,914	536,067,497

20 Short Term Provisions

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Provision for Gratuity	48,796	48,796
Provision for Leave encashment	7,002	7,002
Total	55,798	55,798

21 Other Current liabilities

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Statutory liabilities	243,504,418	240,439,641
Total	243,504,418	240,439,641



Ranchi Expressway Limited

Balance Sheet as at 31st March 2022

PARTICULARS	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current Assets			
Property, plant and equipment	3		
Investment Property	4		
Intangible assets			
(i) under SCA			
(ii) others	3		
Intangible assets under development			
Financial assets			
(i) Investments			
(ii) Other financial assets	5	-	-
Tax assets			
(i) Deferred Tax Asset (net)			
Other non-current assets	6	-	-
Total Non-current Assets		-	-
Current Assets			
Financial assets			
(i) Current Investment	7	2,010,000	2,010,000
(ii) Cash and cash equivalents	8	3,906,624	3,906,623
(iii) Other bank balance			
(iv) Other financial assets	9	13,409,293,907	13,404,647,075
(c) Current tax assets (Net)	10	28,225,353	28,252,353
Other current assets	11	430,402,887	448,076,291
Assets classified as held for sale			
Total Current Assets		13,873,838,771	13,886,892,342
Total Assets		13,873,838,771	13,886,892,342
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	808,000,000	808,000,000
Other Equity	13	(2,094,612,054)	(2,094,612,056)
Total Equity		(1,286,612,054)	(1,286,612,056)
LIABILITIES			
Non-current Liabilities			
Financial Liabilities			
(i) Long-term borrowings			
Unsecured Loans	15	4,042,258,261	4,042,258,261
(ii) Trade payables			
(iii) Other financial liabilities	16	-	-
Provisions	17	-	-
Deferred tax liabilities (Net)			
Total Non-current Liabilities		4,042,258,261	4,042,258,261
Current liabilities			
Financial liabilities			
(i) Borrowings			
a) Terms Loans Disbursed to the project by the Lenders	14	6,521,282,207	6,521,282,207
b) Interest on Terms Loans adjusted by the Lenders from the Escrow A/c	14	3,785,251,346	3,785,251,346
c) Other Liabilities			
(ii) Trade payables	18	48,149,648	48,149,648
(iii) Other financial liabilities	19	528,348,914	536,067,497
Provisions	20	55,798	55,798
(c) Current tax liabilities (Net)			
Other current liabilities	21	235,104,651	240,439,641
Liabilities directly associated with assets classified as held for sale			
Total Current Liabilities		11,118,192,564	11,131,246,137
Total Liabilities		15,160,450,825	15,173,504,398
Total Equity and Liabilities		13,873,838,771	13,886,892,342

Notes 1 to 48 forms part of the Financial Statements

For Ghoshal & Ghosal

Chartered Accountants

Firm's Registration No. 304013E


S.S.R. GUPTA
Partner
Membership No. 023640

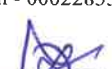
Place: Hyderabad

Date: 26-05-2022

For and on behalf of Board
of Ranchi Expressways Limited


K SRINIVASA RAO
Director
Din - 00022855


MADHU MALAMPATI
Director
Din - 00368625


A. DANUMJAYA
AGM (F&A)

Inventory of the Library

Title		Author		Date		Notes	

Ranchi Expressway Limited

Statement of profit and loss for the year ended 31st March 2022

PARTICULARS	Notes	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
Revenue from operations	22	-	-
Other income	23	-	-
Total Income		-	-
Expenses			
Construction Cost	24	-	-
Operation & Maintenance Expenses			
Employee benefits expenses			
Finance Costs	25	-	-
Depreciation and Amortisation Expenses	26	-	-
Other Expenses	27	-	-
Total expenses		-	-
Profit before exceptional items and tax		-	-
Add: Exceptional items			
Profit before tax		-	-
Less: Tax expense			
(1) Current tax			
(2) MAT credit entitlement			
Profit for the period from continuing operations (I)		-	-
Other Comprehensive Income			
Remeasurements of the defined benefit plans			
Total other comprehensive income			
Total comprehensive income for the period		-	-
Earnings per share (Face Value ₹. 10/- per share) Not annualised			
(1) Basic (in Rs.)			
(2) Diluted (in Rs.)			

For Ghoshal & Ghosal
Chartered Accountants
Firm's Registration No. 304013E

S.S.R. GUPTA
Partner
Membership No. 023640

Place: Hyderabad
Date: 26-05-2022

For and on behalf of Board
of Ranchi Expressways Limited

K SRINIVASA RAO
Director
Din - 00022855

MADHU MALAMPATI
Director
Din - 00368625

A. DANUMJAYA
AGM (F&A)

Ranchi Expressway Limited
Cash Flow Statement as on 31st March 2022

S. No.	Particulars	2021-22	2020-21
A	Net profit / (loss) before tax and extraordinary items	-	-
	Adjustment for		
	Depreciation and amortisation expense	-	-
	Interest expense	-	-
	Interest income	-	-
	Operating profit before working capital changes	-	-
	Adjustments for:		
	Increase / (Decrease) in long term provisions	-	-
	Increase / (Decrease) in current financial liabilities	-	-
	Increase / (Decrease) in trade payable	-	-
	Increase / (Decrease) in other current liabilities	(5,334,990)	(14,860,257)
	Increase / (Decrease) in other current financial liabilities	(7,718,583)	18,522,592
	Increase / (Decrease) in other non current financial liabilities	-	-
	Increase / (Decrease) in short term provisions	-	-
	(Increase) / Decrease in other non-current assets	-	-
	(Increase) / Decrease in current tax	27,000	-
	(Increase) / Decrease in other non current financial asset	-	-
	(Increase) / Decrease in other financial asset	(4,646,832)	(3,912,518)
	(Increase) / Decrease in other current assets	17,673,406	250,000
	Net cash generated from/(used in) operating activities	1	(183)
	Direct taxes paid (net of refunds)		
	Net Cash(used in)/generated from Operating Activities	1	(183)
B	Cash flow from investing activities		
	Purchase of fixed assets		
	Sale/dispose off of fixed assets		
	Purchase of current investments		
	Interest received		
	Net cash (used in)/generated from investing activities	-	-
C	Cash flow from financing activities		
	Proceeds from issue of capital		
	Proceeds from unsecured loan- deemed equity		-
	Proceeds from long term borrowings-bank	-	-
	Interest paid	-	-
	Net cash (used in)/generated from financing activities	-	-
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	1	(183)
	Cash and cash equivalents as at the beginning of the year	3,906,622	3,906,805
	Cash and cash equivalents as at the end of the year	3,906,623	3,906,622

Notes:

- Cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Cash Flow statements
- Cash and cash equivalents represent cash and bank balances and are not available due to freezing by banks on the behalf of NHAI.
- Previous year's figures have been regrouped/reclassified wherever applicable.

For Ghoshal & Ghosal

Chartered Accountants

Firm's Registration No. 304013E



S.S.R. GUPTA

Partner

Membership No. 023640

For and on behalf of Board

of Ranchi Expressways Limited

K SRINIVASA RAO

Director

Din - 00022855

MADHU MALAMPATI

Director

Din - 00368625

A. DANUJAYA

AGM (F&A)

Place: Hyderabad

Date: 26-05-2022

Ranchi Expressway Limited

Notes to financial statements for the Year ended March 2022

1 Corporate Information

Ranchi Expressways Limited was incorporated under the Companies Act, 1956, on 29th Day of March, 2011 as a Special Purpose Vehicle for Design, Build, Finance, Operate and Transfer (DBFOT) of Four Laning of Ranchi-Rargaon-Jamshedpur Section of NH-33 from Km. 114.000 to Km. 277.500 in the state of Jharkhand on DBFOT (Annuity) basis for a concession period of 15 years. This contract was awarded by National Highway Authority of India. The Company shall hand over the Project Highway to NHAI on expiry of the Concession Period.

The company has achieved physical progress of 50.24% and about 10% is in WIP and approached NHAI for One Time Fund Infusion (OTFI) for completion of the remaining stretch. NHAI has initially sanctioned an amount of Rs.223 Crs as One Time Fund Infusion and subsequently NHAI has gone back by cancelling the already sanction OTFI amount of Rs.223 Crs. Lenders and the company have preferred One Time Settlement (OTS) with NHAI for the works already completed.

While negotiations are going on for OTS proposal, NHAI has terminated the Concession Agreement on 30/01/2019 without following the termination procedure laid down in the Concession Agreement and called for tenders from public to complete the balance work on EPC basis. Since project got terminated, Lenders are seeking for One Time Settlement. Company and Lenders agreed and requested the NHAI to refer the matter to Conciliation Committee of Independent Engineers.

The NHAI had given the consent for referring the matter to CCIE vide its letter dated 18-04-2019. The company has submitted the claim with NHAI. The proceedings of CCIE were commenced on 25-09-2019. CCIE vide their order dated 10-08-2020 informed that Both parties, despite their attempts at reaching an amicable settlement of their disputes through conciliation before this committee, have not been successful. The committee hereby records the failure and closure of the conciliation proceedings on this matter. The company has initiated arbitration clause the arbitration committee formed and arbitration proceedings commenced. EPC contractor has made claims on the company. On receipt of arbitration award the company will negotiate with the EPC Contractor to settle the claims.

CBI has filed FIR against the Company, Promoters and Directors on 12/03/2019. CBI is collecting information and investigation is going on.

In view of the above going concern assumption is not appropriate and therefore financial statements have been drawn accordingly.

2 Significant Accounting Policies

2.01 Basis of preparation

(a) Compliance with IndAS

The Company's financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets (if any) less present value of defined benefit obligations

(c) Use of estimates and judgements

The preparation of these financial statements in conformity with IndAS 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 resurfacing obligations, fair value measurement etc.

(d) Measurement of fair values

A number of the accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities. Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date
- Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).



2.02 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss 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 disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the financial statements are presented in Indian Rupees rounded off to two decimal places in line with the requirements of Schedule III.

2.03 Revenue recognition

The company has no revenue during the financial year.

2.04 Cash and bank balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term highly liquid investments being not free from more than insignificant risk of change are not included as part of cash and cash equivalents. Bank overdrafts which are part of the cash management process is included as part of cash and cash equivalents.

2.05 Cash flow statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit/(loss) is adjusted for the effects of:

- (a) transactions of a non-cash nature;
- (b) any deferrals or accruals of past or future operating cash receipts or payments and,
- (c) all other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

2.06 Current & Non Current classification :

Current Asset :

An asset shall be classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) It is expected to be realized within twelve months after the reporting date, or
- (d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.

Current Liabilities:

A liability shall be classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the reporting date : or
- (d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not effect its classification. All other liabilities shall be classified as non-current.

2.07 Property, plant and equipment (PPE)

The company do not own any itmes falling under the property, plant and quipment

2.08 Rights under Service Concession Arrangements

Annuity Projects (Unconditional right to receive cash from Authority)

Where Company has acquired contractual rights to receive specified determinable amounts, such rights are recognised and classified as "Financial Assets", even though payments are contingent on Company ensuring that the infrastructure meets the specified quality or efficiency requirements. Such financial assets are classified as "Receivables against Service Concession Arrangements".

The cost incurred for work beyond the original scope per Concession agreement (nomally referred as "Change of Scope") is recognised and classified as "Financial Assets as and when incurred.

Any Viability Gap Funding (VGF) in the form of equity support in connection with project construction is accounted as a receivable and is adjusted to the extent of actual receipts.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of right under service Concession Arrangements are allocated and recognised and classified as "Financial Assets". However, the service concession agreement has been terminated.

2.09 Investments

The company does not hold any trade investments either of long term or short term.

2.10 Borrowing costs

Interest is not provided during the financial year due to term loans became NPA



2.11 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.12 Income taxes

During the Financial Year the company does not have any revenue hence MAT and deferred taxes will not be applicable and provisions have not been made.

No Deferred tax Provisions are made for the year.

2.13 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that the reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed in notes in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or a present obligation arising from past events, when no reliable estimate is possible. Contingent assets are disclosed in the financial statements where an inflow of economic benefits are probable.

2.14 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

a) Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

The company does not carry any debt instruments and equity instruments.

b) Financial Liabilities

Financial liabilities are classified at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Loans and borrowings are subsequently measured at amortised costs using Effective Interest Rate method.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.

Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.



c) Impairment of financial assets (Expected Credit Loss Model)

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset and financial guarantees not designated at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract/agreement and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument, through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the life-time expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk has not increased significantly, the Company measures the loss allowance at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the life-time cash shortfalls that will result if the default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of a change in the amount of the expected credit loss. To achieve that, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

2.15 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.16 Claims

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.

2.17 Commitments

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:

- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for
- (ii) Uncalled liability on shares and other investments partly paid
- (iii) Funding related commitment to subsidiary, associate and joint venture companies and
- (iv) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.18 Employee Benefit

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

i. Short term Employee Benefit

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

ii. Post employment benefits

(a) Defined contribution plans:

The Company's superannuation scheme and State governed provident fund linked with employee pension scheme are defined contribution plans. The contribution paid/ payable under the scheme is recognised during the period in which the employee renders the related service.

(b) Defined benefit plans:

The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities.

(c) Other long term Employee Benefit

The obligation for other long term employee benefits such as long term compensated absences, liability on account of Retention Pay Scheme are recognised in the same manner as in the case of defined benefit plans as mentioned in (ii)(b) above.



3 Property, plant and equipment

Particulars	Cost or Deemed cost				Accumulated depreciation and impairment				Carrying Amount	
	As at April 1, 2021	Additions	Disposals	As at March 31, 2022	As at April 1, 2021	Depreciation expense	Disposals	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Property plant and equipment										
Office equipment	15,334			15,334	15,334	-		15,334	-	-
Computer	69,937			69,937	69,937	-		69,937	-	-
Total	85,271		-	85,271	85,271	-	-	85,271	-	-
Particulars	Cost or Deemed cost				Accumulated depreciation and impairment				Carrying Amount	
	As at April 1, 2020	Additions	Disposals	As at March 31, 2021	As at April 1, 2020	Depreciation expense	Disposals	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Property plant and equipment										
Office equipment	15,334			15,334	15,334	-		15,334	-	-
Computer	69,937			69,937	69,937	-		69,937	-	-
Total	85,271	-	-	85,271	85,271	-	-	85,271	-	-

3 Intangible Assets

Particulars	Cost or Deemed cost				Accumulated depreciation and impairment				Carrying Amount	
	As at April 1, 2021	Additions	Disposals	As at March 31, 2022	As at April 1, 2021	Depreciation expense	Disposals	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Computer Software	11,125			11,125	11,125			11,125	-	-
Total	11,125	-	-	11,125	11,125	-	-	11,125	-	-
Previous year										
Particulars	Cost or Deemed cost				Accumulated depreciation and impairment				Carrying Amount	
	As at April 1, 2020	Additions	Disposals	As at March 31, 2021	As at April 1, 2020	Depreciation expense	Disposals	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Computer Software	11,125			11,125	11,125			11,125	-	-
Total	11,125	-	-	11,125	11,125	-	-	11,125	-	-

Ranchi Expressway Limited
Notes to financial statements for the Year ended 31st March 2022

4 Investment Property

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Immovable Property-Land		
Total	-	-

5 Other Non Current Financial Asset

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Recivable From NHAI		
Total	-	-

6 Other Non Current Assets

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Unsecured, considered good Capital Advances Mobilization and Material Advance-Ultimate holding company Security Deposits		
Total	-	-

7 Current Investment

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Immovable Property-Land	2,010,000	2,010,000
Total	2,010,000	2,010,000

8 Cash and Cash Equivalents

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Balances with Banks -In Current Accounts	3,906,486	3,906,485
Cash on hand :- Cash on hand	138	138
Mutual Funds		
Total	3,906,624	3,906,623

9 Other Financial Asset

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Retention money receivable -NHAI	15,113,464	15,113,464
Receivable from NHAI	426,819,267	426,819,267
Claims Recivable From NHAI	12,967,361,176	12,962,714,343
Total	13,409,293,907	13,404,647,074

10 Current Tax Asset (Net)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Current tax Asset Statutory dues receivables	28,225,353	28,252,353
Current tax liabilities Income tax payable		
Total	28,225,353	28,252,353

11 Other Current Assets

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Advances to Related Parties Madhucon Projects Limited- Ultimate Holding company Madhucon Infra Limited- Holding company of holding company Chhapra Hajipur Expressways Ltd - Fellow subsidiary of holding company Advances to Others Prepaid expenses	228,472,624 - 9,217	244,072,624 2,000,000 82,621
Unsecured, considered good Capital Advances Mobilization and Material Advance-Ultimate holding company Security Deposits	201,919,046 2,000	201,919,046 2,000
Total	430,402,887	448,076,291

Ranchi Expressway Limited
Notes to financial statements for the Year ended 31st March 2022

12 Equity Share Capital

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Note: 1 SHARE CAPITAL		
AUTHORISED:		
Equity Shares of Rs.10/- each	1,000,000,000	1,000,000,000
	1,000,000,000	1,000,000,000
ISSUED, SUBSCRIBED & PAID UP:		
Equity Shares of Rs.10/- each fully paid up.	808,000,000	808,000,000
Total	808,000,000	808,000,000

Foot Notes:

i. Reconciliation of the number of shares outstanding at the beginning and as on 31st March' 2022

Equity Share

Particulars	As at Mar 31, 2022		As at Mar 31, 2021	
	Number	Amount in Rs.	Number	Amount in Rs.
Number of equity shares at the beginning of the Year	80,800,000	808,000,000	80,800,000	808,000,000
Equity shares issued during the year				
Less : Shares bought back during the year				
Number of equity shares at the end of the Year	80,800,000	808,000,000	80,800,000	808,000,000

ii Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors are subject to the approval of the shareholders in the ensuing annual general meeting.

During the year ended 31 March 2022, no dividend is declared by Board of Directors.(Previous Year - Nil)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders

Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

Name of Shareholder	Relationship	As at Mar 31, 2022	Relationship	As at Mar 31, 2021
		No. of Shares held		No. of Shares held
Madhucon Projects Limited	Ultimate Holding Company	14,000	Ultimate Holding Company	14,000
Madhucon Infra Limited	Holding Company of holding company	16,000	Holding Company of holding company	16,000
Madhucon Toll Highways Limited	Holding Company	80,750,000	Holding Company	80,750,000

iii. Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	As at Mar 31, 2022		As at Mar 31, 2021	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Madhucon Toll Highways Limited	80,750,000	99.94	80,750,000	99.94

13 Other Equity

Particulars	As at March 31, 2022	As at March 31, 2021
Surplus in profit and loss account	(2,094,612,054)	(2,094,612,054)
Equity Component of Unsecured Loan		
Total	(2,094,612,054)	(2,094,612,054)



Movement in other equity:

	Equity Component of Unsecured Loan	Reserves and Surplus	Other items of Other Comprehensive Income (specify)	Total
		Retained Earnings		
Balance at the beginning of the reporting period i.e. 01.04.2021	-	-2,094,612,054		-2,094,612,054
Changes in accounting policy or prior period errors		-		-
Restated balance at the beginning of the reporting period	-	-2,094,612,054		-2,094,612,054
Total Comprehensive Income for the year		-		-
Transfer to retained earnings				-
Addition/Deletion in Equity Component	-			-
Balance at the end of the reporting period i.e. 31.03.2022	-	-2,094,612,054	-	-2,094,612,054

Movement in other equity:

	Equity Component of Unsecured Loan	Reserves and Surplus	Other items of Other Comprehensive Income (specify)	Total
		Retained Earnings		
Balance at the beginning of the reporting period i.e. 01.04.2020	-	-2,094,612,054		-2,094,612,054
Changes in accounting policy or prior period errors		-		-
Restated balance at the beginning of the reporting period	-	-2,094,612,054		-2,094,612,054
Total Comprehensive Income for the year		-		-
Transfer to retained earnings				-
Addition/Deletion in Equity Component	-			-
Balance at the end of the reporting period i.e. 31.03.2021	-	-2,094,612,054	-	-2,094,612,054

14 Long term Borrowings

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Term Loans		
Secured		
- Term Loan disbursed to the project by the Lenders	6,521,282,207	6,521,282,207
Interest on Term Loan adjusted by the Lenders from the	3,785,251,346	3,785,251,346
Total of Secured Term Loans	10,306,533,553	10,306,533,553
Total of short term borrowings	10,306,533,553	10,306,533,553

15 Long-term borrowings

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Term Loans		
Un Secured		
- from Banks	-	-
- from Financial Institution	-	-
- from Related Parties	4,042,258,261	4,042,258,261
Total of Un Secured Term Loans	4,042,258,261	4,042,258,261
Total of Long term borrowings	4,042,258,261	4,042,258,261

As on 31.02.2021, an amount of Rs. 404.23 crores has been reclassified as long term borrowings which is hitherto classified as other equity. Consequential prior year groupings have been changed.

Terms of Repayment - Secured Loan

Indian Rupee Term Loans Consists of Loans borrowed from a consortium of 13 bankers & one financial institution as per common loan agreement dated 31-10-2011. The entire outstanding debt as per common loan agreement was re-structured and the loan amount was payable as per master amendment to common loan agreement dated 28-03-2017.

Interest is not provided during the financial year due to the Term Loans became NPA

Terms of Security

The Company has executed loan documents and created security as per common loan agreement dated 31-10-2011 and amendment to common loan agreement dated 28-03-2017

Terms of Repayment - Un Secured Loan from Related Parties

The unsecured loans are provided by the promoters of the company as per common loan agreement with Senior Lenders by way of Sub-ordinate loan such sub-Ordinate loans interest and principle repayment shall be made after final settlement date. The date on which all the secured obligations have been discharged in full to the satisfaction of the lenders.



16 **Other Financial Liabilities - Non Current**

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Retention money- Madhucon Projects Limited- Ultimate Holding Company		
Total	-	-

17 **Long Term Provisions**

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Gratuity		
Leave Encashment		
Total	-	-

18 **Trade Payable**

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Due to related parties		
Utility Shifting Payable - Madhucon Projects Limited	48,149,648	48,149,648
Total	48,149,648	48,149,648

19 **Other Financial liabilities - Current**

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Interest accrued and due on borrowings	357,486,506	357,486,506
Audit Fee payable	1,250	123,100
Retention money Payable	13,315	13,315
Payables to related party		
<i>Other payable</i>		
Madhucon Infra Limited- Holding company of holding compa	19,319,084	23,870,815
Trichy-Thanjavur Expressways Limited-	-	2,500,000
Other payables	151,181,183	151,726,185
Salary payable	347,576	347,576
Total	528,348,914	536,067,497

20 **Short Term Provisions**

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Provision for Gratuity	48,796	48,796
Provision for Leave encashment	7,002	7,002
Total	55,798	55,798

21 **Other Current liabilities**

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Statutory liabilities	235,104,651	240,439,641
Total	235,104,651	240,439,641

Ranchi Expressway Limited**Notes to financial statements for the Year ended 31st March 2022****22 Revenue From Operations**

Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
Revenue from Operations		
Construction revenue		
Finance income		
Total	-	-

* Service tax not applicable on toll Services.

23 Other Income

Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
Interest Income :-		
Interest on Income Tax Refund		
Expenditure Written Back		
Interest Income On Mutual Fund		
Total		

24 Construction cost

Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
Construction cost		
Total	-	-

25 Finance Cost

Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
- Interest on term loan from banks		
- Other Borrowing cost		
- Finance income written off		
Total	-	-

26 Depreciation and Amortisation Expenses

Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
Depreciation		
Total		

27 Other Expenses

Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
Rent		
Rates & Taxes	-	-
Tax Audit Fees		
Transfer Pricing Audit Fees		
Professional Fees		
Office Maintenance		
Payments to Auditor		
- As Statutory Auditor (including Service Tax)		
Miscellaneous expenses		-
Total	-	-



Ranchi Expressway Limited
Notes to financial statements for the Year ended 31st March 2022

28 Financial Instruments

Disclosure of Financial Instruments by Category

Financial instruments by categories	Note no.	As at March 31, 2022			As at March 31, 2021		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset							
Trade receivables							
Cash and cash equivalents	8			3,906,623			3,906,805
Other financial assets	9			13,404,647,075			13,400,734,557
Total Financial Asset				13,408,553,698			13,404,641,362
Financial liability							
Term Loan from Banks	14			10,306,533,553			1,260,460,301
Other financial Liabilities - Non Current	16						-
Trade Payables	18			48,149,648			48,149,648
Other financial Liabilities - Current	19			536,067,497			517,544,905
Total Financial Liabilities				10,890,750,698			1,826,154,854

Default and breaches

The company has not provided Interest on term loan during this F.Y 2021-22

The company has defaulted in repayment of interest and instalments.

29 Fair value of Financial asset and liabilities at amortized cost

Particular	Note no.	As at March 31, 2022		As at March 31, 2021	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets					
Trade receivables		-	-	-	-
Cash and cash equivalents	8	3,906,623	3,906,623	3,906,805	3,906,805
Other bank balance		-	-	-	-
Other financial assets	9	13,404,647,075	13,404,647,075	13,400,734,557	13,400,734,557
Total Financial Assets		13,408,553,698	13,408,553,698	13,404,641,362	13,404,641,362
Financial liability					
Term Loan from Banks	14	10,306,533,553	10,306,533,553	1,260,460,301	1,260,460,301
Other financial Liabilities - Non Current	16	-	-	-	-
Trade Payables	18	48,149,648	48,149,648	48,149,648	48,149,648
Other financial Liabilities	19	536,067,497	536,067,497	517,544,905	517,544,905
Total Financial Liabilities		10,890,750,698	10,890,750,698	1,826,154,854	1,826,154,854

The carrying amount of current financial assets and current trade and other payables measured at amortised cost are considered to be the same as their fair values, due to their short term nature. However the amount of Rs 1296,14,16,023/- receivable from NHAI is not yet settled and is subject to final ascertainment of the claimed amount due.

The carrying value of Rupee Term Loan approximate fair value as the instruments are at prevailing market rate.



Ranchi Expressway Limited
Notes to financial statements for the Year ended 31st March 2022

30 Fair Value Measurement

Fair Value Measurement of Financial asset and Financial liabilities
Fair value hierarchy

As at March 31, 2021

Financial Asset & Liabilities Measured at FV - Recurring FVM	Note No.	Level 1	Level 2	Level 3	Total
Financial asset measured at FVTPL					
Investments in Mutual Funds	8	-	-	-	-
Total of Financial Assets		-	-	-	-
Financial Liabilities measured at FVTPL		-	-	-	-
Total of Financial Liabilities		-	-	-	-

As at March 31, 2020

Financial Asset & Liabilities Measured at FV - Recurring FVM	Note No.	Level 1	Level 2	Level 3	Total
Financial asset measured at FVTPL					
Investments in Mutual Funds	8	-	-	-	-
Total of Financial Assets		-	-	-	-
Financial Liabilities measured at FVTPL		-	-	-	-
Total of Financial Liabilities		-	-	-	-

There are no transfer between level 1 and level 2 during the year

The company policy is to recognise transfers into and transfer out of fair values hierarchy levels as at the end of the reporting period.

31 Fair Value Measurement

Valuation technique and inputs used to determine fair value

Financial assets and liabilities	Valuation method	Inputs
Financial liabilities		
Term Loan from Banks	Income	Effective rate of borrowing
Term Loan from related parties	Income	Effective rate of borrowing
Other Current Financial Liabilities	Income	Effective rate of borrowing

32 Asset pledged as security

Particulars	Note no	31.03.2022	31.03.2021
Non Financial Asset			
Property, Plant & Equipment	3	-	-
Investment Property	7	2,010,000	2,010,000
Financial Asset			
Cash and Cash Equivalents	8	3,906,624	3,906,623
Other Bank Balances		-	-
Other Financial Assets	9	13,829,282,245	13,404,647,075
Other Current Assets	11	18,814,316	448,076,291
TOTAL		13,854,013,185	13,858,639,989



Notes to financial statements for the Year ended 31st March 2022

33 Financial Risk Management

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

A) Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i Foreign Currency Risk

The company is not exposed to foreign currency risk as it has no borrowing or no material payables in foreign currency.

ii Interest rate risk

The company has not provided interest from the date of Term Loan accounts became NPA.

iii Price risk

The company is not exposed to price risk as it has no investment.

B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company is exposed to liquidity risk due to bank borrowings and trade and other payables.

The company measures risk by forecasting cash flows.

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

The following are the contractual maturities of financial liabilities

As at March 31, 2022	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Term Loan from Banks	9,046,073,252	9,046,073,252			
Term Loan from Financial Institutions	1,260,460,301	1,260,460,301			
Term Loan from related parties					
Trade Payables	48,149,648	48,149,648	-	-	-
Derivative Financial Liability	NIL	NIL	NIL	NIL	NIL
As at March 31, 2021	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Term Loan from Banks	9,046,073,252	9,046,073,252			
Term Loan from Financial Institutions	1,260,460,301	1,260,460,301			
Term Loan from related parties					
Trade Payables	48,149,648	48,149,648	-	-	-
Derivative Financial Liability	NIL	NIL	NIL	NIL	NIL

C) Credit risk

The company generally does not have trade receivables as project is in construction phase. Hence, the management believes that the company is not exposed to any credit risk.



Ranchi Expressway Limited
Notes to financial statements for the Year ended 31st March 2022
34 Disclosures pursuant to Ind AS 1 - "Presentation of Financial Statements"

For the purpose of the company's capital management, capital includes issued equity capital, Secured Loan and all other equity reserves attributable to the equity holders of the parent. The primary objective of the company's capital management is to maximise shareholder value.

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

36 Disclosure pursuant to Ind AS 11 - "Construction Contracts"

Amount of contract revenue recognised in the year : Nil

Method used to recognise the constructions revenue - Work executed during the year and remaining to be executed.

37 Disclosure pursuant to Ind AS 12 - "Income taxes"

The Company does not have taxable income and hence provision for current tax has not been made. The company is eligible for deduction under section 80IA of Income Tax Act and the tax holiday period of the company's project falls within the concession period of the company as defined in Section 80IA. Since tax on Timing difference between Accounting Income and Taxable Income that arise during the year is reversing during such tax holiday period. No deferred tax asset/ liability arises and accordingly no provision is made in the accounts.

38 Disclosure pursuant to Ind AS 19 - Employee Benefits
Employee Benefits

During the financial year there were no employees worked hence this clause is not applicable

39 Related Party Transactions
A. List of Related Parties

	Company Name	Relation
1	Madhucon projects Limited	Ultimate Holding Company
2	Madhucon Infra Limited	Holding Company of holding company
3	Madhucon Toll Highways Limited	Holding Company
4	Tiruchi Tanjavur Expressways Limited	Fellow subsidiary company
5	Chhapra Hajpur Expressways Limited	Fellow subsidiary company

B. Transactions with related parties:

	For the year ended 2021-22		For the year ended 2020-21	
	Transactions during the year	Amount receivable/ (payable)	Transactions during the year	Amount receivable/ (payable)
Madhucon Projects Limited – Ultimate Holding Company				
EPC Cost (Construction contract expenses)	205,806,692	18,803,099		224,609,791
Utility Shifting Expense		-48,149,648	-	-48,149,648
Mobilization, Material Advance	0	-		201,919,046
Unsecured Loan	0	-1,085,919,064	-	-1,085,919,064
Retention money- EPC	0	0		-
Retention money- UT	0	0		-
Share Capital	0	-140,000	-	-140,000
Performance bank guarantee given to NHAI on behalf of the company	0	0	-	-
Expenses paid on our behalf	250,000	0	1,038,500	19,462,833
Expenses paid on their behalf	0		94,886	
Amount paid				
Madhucon Infra limited – Holding Company of holding company				
Share Capital	0	-160,000	-	-160,000
Unsecured Loan	0	-2,666,815,953		-2,666,815,953
Expenses paid on our behalf	23,246,940	-19,319,084	8,053,421	-23,870,815
Advance paid	11,250			
Madhucon Toll Highways Limited - Holding Company				
Share Capital	-	-807,500,000	-	-807,500,000
Unsecured Loan	-	-289,523,244	-	-289,523,244
Madhucon Toll Highways Limited has pledged 3,61,08,000 number of equity shares held by them in the company to the lenders under common loan agreement.				
Trichy Tanjavur Expressways Ltd. – Fellow subsidiary of holding company				
Other transactions	-	0	-	-2,500,000
Chhapra Hajipur Expressways Limited - Fellow subsidiary of holding company				
Expenses paid on their behalf reimbursed		0	-	2,000,000



Ranchi Expressway Limited**Notes to financial statements for the Year ended 31st March 2022****34 Disclosures pursuant to Ind AS 1 - "Presentation of Financial Statements"**

For the purpose of the company's capital management, capital includes issued equity capital, Secured Loan and all other equity reserves attributable to the equity holders of the parent. The primary objective of the company's capital management is to maximise shareholder value.

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

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Amount of contract revenue recognised in the year : Nil

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The Company does not have taxable income and hence provision for current tax has not been made. The company is eligible for deduction under section 80IA of Income Tax Act and the tax holiday period of the company's project falls within the concession period of the company as defined in Section 80IA. Since tax on Timing difference between Accounting Income and Taxable Income that arise during the year is reversing during such tax holiday period. No deferred tax asset/ liability arises and accordingly no provision is made in the accounts.

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During the financial year there were no employees worked hence this clause is not applicable

39 Related Party Transactions**A. List of Related Parties**

	Company Name	Relation
1	Madhucon projects Limited	Ultimate Holding Company
2	Madhucon Infra Limited	Holding Company of holding company
3	Madhucon Toll Highways Limited	Holding Company
4	Tiruchi Tanjavur Expressways Limited	Fellow subsidiary company
5	Chhapra Hajpur Expressways Limited	Fellow subsidiary company

B. Transactions with related parties:

	For the year ended 2021-22		For the year ended 2020-21	
	Transactions during the year	Amount receivable/ (payable)	Transactions during the year	Amount receivable/ (payable)
Madhucon Projects Limited – Ultimate Holding Company				
EPC Cost (Construction contract expenses)	-3,862,833	228,472,624		224,609,791
Utility Shifting Expense		-48,149,648	-	-48,149,648
Mobilization, Material Advance	0	201,919,046		201,919,046
Unsecured Loan	0	-1,085,919,064	-	-1,085,919,064
Retention money- EPC	0	0		-
Retention money- UT	0	0		-
Share Capital	0	-140,000	-	-140,000
Performance bank guarantee given to NHAI on behalf of the company	0	0	-	-
Expenses paid on our behalf	250,000	0	1,038,500	19,462,833
Expenses paid on their behalf	0		94,886	
Amount paid				
Madhucon Infra limited – Holding Company of holding company				
Share Capital	0	-160,000	-	-160,000
Unsecured Loan	0	-2,666,815,953		-2,666,815,953
Expenses paid on our behalf	23,246,940	-19,319,084	8,053,421	-23,870,815
Advance paid	11,250			
Madhucon Toll Highways Limited - Holding Company				
Share Capital	-	-807,500,000	-	-807,500,000
Unsecured Loan	-	-289,523,244	-	-289,523,244
Madhucon Toll Highways Limited has pledged 3,61,08,000 number of equity shares held by them in the company to the lenders under common loan agreement.				
Trichy Tanjavur Expressways Ltd. – Fellow subsidiary of holding company				
Other transactions	-	0	-	-2,500,000
Chhapra Hajipur Expressways Limited - Fellow subsidiary of holding company				
Expenses paid on their behalf reimbursed	-	0	-	2,000,000



40 Disclosure pursuant to Ind AS 23 "Borrowing Costs"

Borrowing cost capitalised during the year ` Nil. (previous year :` Nil).

41 Disclosure pursuant to Ind AS 33 "Earnings per share"

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 "Earnings per share".

Particulars	Unit	As at March 31, 2022	As at March 31, 2021
Earnings Per Equity Share:			
Net Profit after tax	Rupees	-	-
Equity Shares outstanding	Numbers	80,800,000	80,800,000
Nominal Value of Equity Share	Rupees	10	10
Basic Earnings per Share	Rupees	-	-
Diluted Earnings per Share	Rupees	-	-

42 Disclosures as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent assets "

(i) Contingent Liability: EPC Contractor has raised a claim on the company and the same will be settled after receiving claim amount from NHAI.

(ii) Commitments : Capital Commitment (Estimated amounts of contracts remaining to be executed –EPC) : Nil (PY Rs.4,16,33,65,255/-)

43 Payments to Auditor (Including Service Tax)

Particulars	As at March 31, 2022 Rupees	As at March 31, 2021 Rupees
(a) Statutory Audit Fee		0
(b) Other Services (Opinion / Certification Fees)		0
(c) Tax Audit Fee		-
(d) Income Tax Filings		-
Total	0	0

44 There have been no claimed transactions during the year with Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act 2006.

45 Disclosure pursuant to Ind AS 36 "Impairment of Assets"

Based on review of future discounted cash flows and other factors including termination of contract with NHAI, so claim from NHAI may be subject to impairment, the recoverable amount of the project facility is more than its carrying amount. Accordingly no provision for impairment of assets is provided.

46 Disclosure of segment information pursuant to Ind AS 108 "Operating Segments"

The Company was engaged in the business of construction, operation and maintenance of Toll road projects on a Build Operate Transfer basis in a single business segment. Hence reporting of operating segments does not arise. The Company does not have operations outside India. Hence, disclosure of geographical segment information does not arise.

47 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.

48 There were no litigation pending against the company which could be materially impact its financial position as at the end of the year.

49 Previous year figures have been re-grouped, re-worked and re-classified wherever necessary, to make them comparable with current year figures

For Ghoshal & Ghosal

Chartered Accountants

Firm's Registration No. 304013E



Place: Hyderabad

Date: 26-05-2022

**For and on behalf of Board
of Ranchi Expressways Limited**


K SRINIVASA RAO
Director
Din - 00022855


MADHU MALAMPATI
Director
Din - 00368625


A. DANUMJAYA
AGM (F&A)

