



INDEPENDENT AUDITOR'S REPORT

**To the Members of
SEW KRISHNAGAR BAHARAMPORE HIGHWAYS LIMITED**

Report on the audit of the Standalone Ind AS Financial Statements

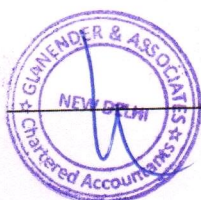
Qualified Opinion

We have audited the Standalone Ind AS financial statements of **SEW KRISHNAGAR BAHARAMPORE HIGHWAYS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, **except for the effects of the matter described in the basis for Qualified Opinion section of our report**, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. During the previous year (i.e. FY 2019-2020), the Company had accounted interest cost amounting to Rs. 2,541 lakhs which relates to period prior i.e. FY 2019-20 on loan taken from NHAI under OTFI Scheme which is in non-compliance of the provisions of Indian Accounting Standard (Ind AS) 8 (Accounting Policies, Changes in Accounting Estimates and Errors) and has resulted in continuing overstatement of loss for the financial year by Rs.2,541 lakhs under reserve and surplus.
2. The Company has considered unpaid annuities as fully recoverable in the financial model for arriving at the carrying value of 'Receivable from NHAI under Service Concession Arrangement'. In the absence of availability of convincing audit evidence as to their recoverability, we are unable to comment as to appropriateness of carrying value of 'Receivable from NHAI under Service Concession Arrangement' (Refer Note No.39 in the financial statements).
3. Non-accounting of maintenance cost of existing project highway of Rs. 3,555.86 lakhs which has been done and recovered out of annuity dues by NHAI from the Company vide letter dated 01 Sept, 2020, has resulted in continuing understatement of loss & retained earnings(loss) by Rs.3,555.86 lakhs and continuing understatement of other current financial liabilities and overstatement of contingent liabilities by the same amount as at reporting date (Refer Note No. 38(a) (vi) in the financial statements).



4. Accounting of claims amounting to Rs. 1,809.52 lakhs as receivable from National Highways Authority of India (NHAI) under the head "GST- Receivable from NHAI Due to Change in Law" and accounting of corresponding liability by the same amount towards EPC Contractor is not in conformity with the accounting policy for claims (Refer Accounting policy no.2.17 in the financial statements) and also is not in conformity with the provisions of Indian Accounting Standard (Ind AS) 37 "Provisions, Contingent Liabilities and Contingent Assets". Moreover, the NHAI has also denied the maintainability of related claims vide letter dated 22nd November, 2019. In our opinion, above claim is doubtful of recovery and related liability is not maintainable in terms of the EPC contract. This has resulted in the overstatement of other current assets by Rs. 1,809.52 lakhs and the overstatement of other current financial liabilities by the same amount (Refer Note no.10 in the financial statements).
5. a.) The Company had taken term loans from consortium of banks and a financial institution. The Company borrowings have been classified as non-performing assets by the lenders due to defaults in payment of related dues. Balances of outstanding borrowings amounting to Rs. 95,183.42 lakhs from lenders including interest thereon as recorded in books of accounts are unconfirmed. Hence, in the absence of such confirmations, we are unable to comment on the appropriateness of carrying amount of borrowings as presented in Financial Statements (Refer Note no.14 , 16 & 17 in the financial statements).
- b.) Bank balances amounting to Rs. 868.50 lakhs are unconfirmed. In the absence of such confirmations, we are unable to comment on the appropriateness of carrying amount of Bank balances as presented in the financial statements (Refer Note no.7 in the financial statements).
6. In the absence of availability of copy of Arbitration award, we are unable to comment as to the appropriateness of disclosure of contingent liabilities of Rs. 15,957.60 lakhs at Note No.35(a)(iv) and also whether there exists a related definitive liability of Rs 28,900 lakhs (which are neither certified by Lenders Independent Engineer nor by Independent Consultant appointed by NHAI nor by NHAI) towards EPC cost, which the company has already accounted, in view of the Arbitration award of Rs. 289.31 crore in favour of EPC contractor-(Refer Note No. 35 (a) (iv)).
7. The carrying amount Rs 204.20 lakhs of retention money held by and receivables from National Highways Authority of India (NHAI) as on 31st March, 2022 is unconfirmed. Hence, in the absence of such confirmations, we are unable to comment on the appropriateness of carrying amount of above receivable in the financial Statements (Refer Note no.8 in the financial statements).
8. (i) The Company does not have any Company Secretary and Chief Financial Officer during the year which is in contravention of the requirements of Section 203 of the Companies Act, 2013.
- (ii) The Company has not appointed an internal auditor during the year which is in contravention of the requirements Section 138 of the Companies Act 2013.



Consequently, to the extent of above mentioned qualification, the unreserved and explicit statement of compliance with Indian Accounting Standards as notified in the Companies (Indian Accounting Standards) Rules, 2015 in Note 2.01 (a) is not proper.

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

Material Uncertainty Related to Going Concern

We draw attention to note no. 40, in the financial statements, which indicates that the Company has incurred loss of Rs. 30,597.87 lakhs during the year and continues to incur losses with negative net worth of Rs. 51,511.03 Lakh. Moreover, Current liabilities significantly exceed the current assets as at the year end and the Company borrowings have been classified as non- performing assets by the lenders due to defaults in payment of related dues. These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

1. Note no. 6 in the financial statements: The Company has given advances amounting to Rs. 1,996.63 lakhs to the EPC contractor (i.e. related party) which are not obligated in terms of the EPC Contract.

Our opinion is not modified in respect of these matters.

Information other than the Ind AS Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated of this other information. **The above report is not made available to us.**



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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



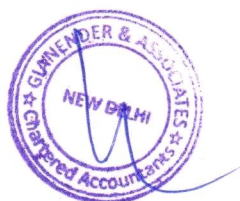
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. **Except for the effects of the matter described in the basis for Qualified Opinion section of our report**, 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 **except minutes of the meetings of board of directors and members.**
 - 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 changes in equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) **Our observations made on the matters stated in the "Basis for qualified Opinion", "Material Uncertainty related to Going Concern" and "Emphasis of Matter" paragraph above may have adverse effect on the functioning of the Company.**
 - f) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.



- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has no pending litigation which would impact its financial position except those disclosed in financial statements;
 - ii. The Company does not envisage any material foreseeable losses in long-term contracts including derivative contract requiring provision;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.



3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, provisions of section 197(16) of the Act are not applicable as the Company has not paid any remuneration as contemplated in section 197 of the Act.

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


G K Agrawal
Partner

Membership No. 081603

Place: New Delhi

Date: 28.09.2022

UDIN: 22081603BEFEDA6640



Annexure 'A' to the Independent Auditor's Report of SEW KRISHNAGAR BAHARAMPORE HIGHWAYS LIMITED for the Year ended as on 31st March 2022

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

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

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

a) B) The Company has maintained proper records showing full particulars of Intangible Assets.

b) The Fixed Assets have been not physically verified by the management during the year.

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

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

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

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

b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, reporting under Para 3(iii) are not applicable.

iv) The Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185 and 186 of the Companies Act, 2013. Therefore the paragraph 3(iv) of the Order is not applicable to the Company.

v. The Company has not accepted deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the order is not applicable to the company.

vi. We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section



148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made.

Vii. a. In our opinion, the Company has been generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities . As on 31st March 2022, there are no undisputed statutory dues payables for period exceeding for a period more than six month from the date they become payable .

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

| Nature of the Statute | Nature of the dues | Forum where Dispute is Pending | Period to which the amount relates | Amount (Rs.) |
|-----------------------|--------------------------------------|---|------------------------------------|--------------|
| Income Tax | Income Tax Orders u/s Section 143(3) | CIT(A) | Assessment Year 2017-18 | 14.52 lakhs |
| VAT | West Bengal VAT Authority | Dispute Pending at Revision board (Appeal, Revision Under Section 84) | Financial Year 2014-15 | 335.53 lakhs |
| VAT | West Bengal VAT Authority | Dispute Pending at Revision board (Appeal, Revision Under Section 87) | Financial Year 2016-17 | 79.78 lakhs |

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

ix. a) The Company has taken loans from Consortium of Banks and financial institution. The Company's borrowings have been classified as Non-Performing assets (NPA) by the lenders due to defaults in repayment of principal amount of borrowings and payment of interest, therefore period wise details of default in payment of interest and principal could not be given. The Company has not taken any loans or borrowings from Government and has not issued any debentures.

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

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

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



- e) On an overall examination of the financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting under Para 3(x)(b) is not applicable.
- xi) a) No frauds on or by the Company noticed or reported during the period under audit.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) We have not been provided with whistle blower complaints received by the company during the year.
- xii) The Company is not a Nidhi Company. Hence, reporting under Para 3(xii) are not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards
- xiv) a) In our opinion and based on our examination, though the company is required to have an internal audit system under section 138 of the Act, it does not have the same established for the year
- b) The company did not have an internal audit system for the period under audit.
- xv) The company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii) The Company has incurred cash losses of Rs.30,586.35 Lakhs during the financial year and of Rs. 14,963.26 Lakhs in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.



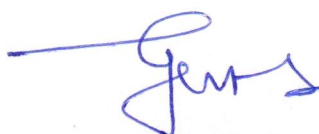
xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. (refer "Material Uncertainty Related to Going Concern" para above)

We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

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

xxi) Paragraph 3(xvi)(a) of the Order is not applicable to the Company as the financial statements under reporting are not consolidated financial statements.

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



G K Agrawal
Partner
Membership No. 081603
Place: New Delhi
Date: 28.09.2022
UDIN: 22081603BEFEDA6640

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in our Report of even date)

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

We have audited the internal financial controls with reference to financial statements of **SEW KRISHNAGAR BAHARAMPORE HIGHWAYS LIMITED** ("the Company") as of March 31, 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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



Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

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

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


G K Agrawal
Partner
Membership No. 081603
Place: New Delhi
Date: 28.09.2022
UDIN: 22081603 BEFE DA6640



SEW Krishnagar Baharampore Highways Limited
CIN:U45400TG2011PLC073116
BALANCE SHEET AS AT MARCH 31, 2022
(All figures are in Rs. Lakhs unless otherwise stated)

| Particulars | Notes | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------------------|-------|-------------------------|-------------------------|
| ASSETS | | | |
| Non-current Assets | | | |
| Property, plant and equipment | 3 | 51.96 | 63.01 |
| Investment Property | 4 | 23.65 | 23.65 |
| Financial assets | | | |
| Other Financial assets | 5 | 36,514.58 | 41,370.01 |
| Other Non Current Assets | 6 | 2,586.75 | 4,356.18 |
| Total Non-current Assets | | 39,176.94 | 45,812.84 |
| Current Assets | | | |
| Financial assets | | | |
| (i) Cash and cash equivalents | 7 | 868.68 | 1,587.43 |
| (ii) Other financial assets | 8 | 37,195.73 | 39,362.89 |
| Current tax assets (Net) | 9 | 384.46 | 282.59 |
| Other current assets | 10 | 1,951.98 | 1,843.23 |
| Total Current Assets | | 40,400.85 | 43,076.13 |
| Total Assets | | 79,577.79 | 88,888.98 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 11 | 2,690.60 | 2,690.60 |
| Instruments entirely equity in nature | 12 | 7,913.00 | 7,913.00 |
| Other Equity | 13 | (62,114.16) | (31,516.76) |
| Total Equity | | (51,510.56) | (20,913.16) |
| LIABILITIES | | | |
| Non-current Liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 14 | 33,406.36 | 46,440.34 |
| Provisions | 15 | 1.04 | 0.95 |
| Total Non-current Liabilities | | 33,407.40 | 46,441.29 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 16 | 29,591.32 | 24,579.32 |
| Other financial liabilities | 17 | 67,528.74 | 38,638.90 |
| Provisions | 18 | 8.21 | 7.07 |
| Other current liabilities | 19 | 552.68 | 135.56 |
| Total Current Liabilities | | 97,680.95 | 63,360.85 |
| Total Liabilities | | 131,088.35 | 109,802.14 |
| Total Equity and Liabilities | | 79,577.79 | 88,888.98 |

The accompanying notes form an integral part of financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

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

G.K Agrawal
(Partner)
(M No. 081603)



Place: **New Delhi**
Date: 28.09.2022

Venkata Ramudu.M
Director
DIN:09239182



Hima Bindu Myneni
Director
DIN: 07120807

SEW Krishnagar Baharampore Highways Limited
CIN:U45400TG2011PLC073116
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022
(All figures are in Rs. Lakhs unless otherwise stated)

| Particulars | Notes | For the year ended Mar 31, 2022 | For the year ended Mar 31, 2021 |
|--|-------|---------------------------------|---------------------------------|
| Revenue from Operations | 20 | 25,324.56 | 13,749.28 |
| Other Income | 21 | - | 15.64 |
| Total Income | | 25,324.56 | 13,764.92 |
| Expenses | | | |
| Contract Expenses | 22 | 22,341.74 | 10,233.48 |
| Employee Benefit Expenses | 23 | 50.16 | - |
| Finance Cost | 24 | 12,312.44 | 11,481.25 |
| Depreciation & Amortization | 3 | 11.05 | - |
| Other expenses | 25 | 21,207.01 | 7,013.45 |
| Total expenses | | 55,922.42 | 28,728.18 |
| Profit before exceptional items and tax | | -30,597.85 | -14,963.26 |
| Add: Exceptional items | | | |
| Profit before tax | | -30,597.85 | -14,963.26 |
| Less: Tax expense | | | |
| (1) Current tax | | - | - |
| (2) MAT credit entitlement | | - | - |
| Profit for the period | | -30,597.85 | -14,963.26 |
| Other Comprehensive Income | | | |
| <u>Items that will not be reclassified to profit or loss</u> | | | |
| Measurements of the defined benefit plans | | 0.45 | - |
| Total other comprehensive income | | 0.45 | - |
| Total comprehensive income for the period | | -30,597.40 | -14,963.26 |
| Earnings per share (Face Value Rs. 10/- per share) | | | |
| Annualised : | | | |
| (1) Basic (in Rs.) | 37 | (113.72) | -55.61 |
| (2) Diluted (in Rs.) | 37 | (113.72) | -55.61 |

The accompanying notes form an integral part of financial statements.

As per our report of even date attached
For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)

For and on behalf of the Board of Directors

G.K Agrawal
(Partner)
(M No. 081603)



Venkata Ramudu.M
Director
DIN:09239182

Hima Bindu Myneni
Director
DIN: 07120807

Place: **New Delhi**
Date: 28.09.2022



SEW Krishnagar Baharampore Highways Limited

CIN:U45400TG2011PLC073116

Statement of cash flows for the period ended March 2022

(All figures are in Rs. Lakhs unless otherwise stated)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--|---------------------------|---------------------------|
| Cash flows from operating activities | | |
| Profit for the period | (30,597.40) | (14,963.26) |
| Adjustments for: | | |
| Finance costs recognised in profit or loss | 12,312.44 | 11,481.25 |
| Depreciation and amortisation | 11.05 | |
| Movements in Assets and Liabilities | | |
| (Increase)/decrease in Service concession receivable | 6,918.95 | 21,235.03 |
| (Increase)/decrease in Current financial asset | 103.64 | 13.33 |
| (Increase)/decrease in other current asset | (108.76) | 141.02 |
| (Increase)/decrease in Other Non Current Assets | 1,769.43 | 51.71 |
| Increase/(Decrease) in provisions | 1.24 | 0.78 |
| Increase/(Decrease) in financial liabilities | 17,691.24 | 6,084.26 |
| Increase/(Decrease) in current liabilities | 417.11 | 121.42 |
| Cash generated from operations | 8,518.95 | 24,165.54 |
| Income taxes (paid) / refund received | -101.87 | 302.52 |
| Net cash generated by operating activities | 8,417.08 | 24,468.06 |
| Cash flows from investing activities | | |
| Net cash (used in)/generated by investing activities | - | - |
| Cash flows from financing activities | | |
| Proceeds/ Repayments from borrowings | (8,021.99) | 18,107.00 |
| Finance costs | (1,113.83) | (6,073.00) |
| Net (used in)/ generated in financing activities | (9,135.82) | (24,180.00) |
| Net increase/ (decrease) in cash and cash equivalents | (718.75) | 288.20 |
| Cash and cash equivalents at the beginning of the period | 1,587.43 | 1,299.22 |
| Cash and cash equivalents at the end of the period | 868.68 | 1,587.43 |

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.
- Previous year's figures have been regrouped/reclassified wherever applicable.
- Components of Cash and Cash Equivalents:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|----------------------------|-------------------------|-------------------------|
| Balances with Banks | | |
| In Current Account | 868.50 | 1,586.79 |
| Cash in hand | 0.18 | 0.64 |
| Total | 868.68 | 1,587.43 |

The accompanying notes form an integral part of financial statements.

As per our report of even date attached

For Gianender & Associates

Chartered Accountants

(Firm's Registration No. 004661N)

G.K. Agrawal
(Partner)
(M No. 081603)

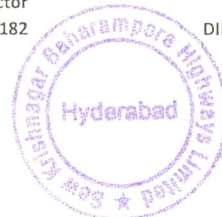


Place: **New Delhi**
Date: 28.09.2022

For and on behalf of the Board of Directors

Venkata Ramudu.M
Director
DIN:09239182

Hima Bindu Myneni
Director
DIN: 07120807



SEW Krishnagar Baharampore Highways Limited
CIN:U45400TG2011PLC073116
Statement of Changes in Equity
(All figures are in Rs. Lakhs unless otherwise stated)

A. Share Capital:
a. Equity share capital

| Movement during the period | For the Year ended March 31, 2022 | | For the Year ended March 31, 2021 | |
|--|--------------------------------------|---------------------------|--------------------------------------|------------------------|
| | Number of shares | Share capital (Amount) | Number of shares | Share capital (Amount) |
| Shares having face value of Rs 10/- | | | | |
| Balance at beginning of the period | 269.06 | 2,690.60 | 269.06 | 2,690.60 |
| Changes in equity share capital due to prior period errors | | | | |
| Restated balance at the beginning of the reporting period | 269.06 | 2,690.60 | 269.06 | 2,690.60 |
| Changes in equity share capital during the year | - | - | - | - |
| Balance at the end of the period | 269.06 | 2,690.60 | 269.06 | 2,690.60 |

B. Instruments entirely equity in nature

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Unsecured loan from promoters | | |
| Balance at the beginning of the current reporting period | 7913.00 | 7913.00 |
| changes due to prior period errors | - | - |
| Restated balance at the beginning of the reporting period | 7913.00 | 7913.00 |
| Changes in unsecured loan from promoters during the year | - | - |
| Total | 7,913.00 | 7,913.00 |

C. Other Equity

| Particulars | Equity component of compound financial instruments | Reserves and Surplus | | Total |
|--|--|-------------------------------|-------------------|------------|
| | | Securities Premium Reserve | Retained Earnings | |
| Balance at the beginning of the reporting period i.e. 01.04.2021 | - | 4,813.40 | -36,330.00 | -31,516.60 |
| Changes in accounting policy or prior period errors | - | - | - | - |
| Restated balance at the beginning of the reporting period | - | 4,813.40 | -36,330.00 | -31,516.60 |
| Securities Premium received during the year | - | - | - | - |
| Total Comprehensive Income for the year | - | - | -30,597.85 | -30,597.85 |
| Transfer to retained earnings | - | - | - | - |
| Balance at the end of the reporting period i.e. 31.03.2022 | - | 4,813.40 | -65,927.85 | -62,114.45 |

Previous Year

| Particulars | Equity component of compound financial instruments | Reserves and Surplus | | Total |
|--|--|-------------------------------|-------------------|------------|
| | | Securities Premium Reserve | Retained Earnings | |
| Balance at the beginning of the reporting period i.e. 01.04.2020 | - | 4,813.40 | -21,367.00 | -16,553.60 |
| Changes in accounting policy or prior period errors | - | - | - | - |
| Restated balance at the beginning of the reporting period | - | 4,813.40 | -21,367.00 | -16,553.60 |
| Securities Premium received during the year | - | - | - | - |
| Total Comprehensive Income for the year | - | - | -14,963.00 | -14,963.00 |
| Transfer to retained earnings | - | - | - | - |
| Balance at the end of the reporting period i.e. 31.03.2021 | - | 4,813.40 | -36,330.00 | -31,516.60 |

The accompanying notes form an integral part of financial statements.

As per our report of even date attached
For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)

G.K Agrawal
(Partner)
(M No. 081603)



Place: New Delhi
Date: 28.09.2022

For and on behalf of the Board of Directors

Venkata Ramudu.M
Director
DIN:09239182



Hima Bindu Myneni
Director
DIN: 07120807

1 Corporate Information

SEW Krishnagar Baharampore Highways Limited is a Special Purpose Vehicle (SPV) incorporated for execution of the project such as to Four-laning of Krishnagar-Baharampore section of NH-34 from km 115.000 to Km 193.000 in the State of West Bengal under NHDP Phase-III on DBFOT (Annuity) Pattern based on the Concession Agreement dated 16th June, 2011 with National Highways Authority of India (NHAI). Presently, the project is under construction. The concession period of the project is 15 years, which includes construction period of 910 days from appointed date i.e. January 10, 2012. The Company has got the provisional Completion certificate w.e.f. 10th Feb, 2020 for 65.018 KM out of 76.36 KM. Further, Executive Committee NHAI in its 429th meeting held on 15.07.2020 has descope the balance length of 3.962 KM in the district of Nadia and 7.378KM length in Murshidabad District is work in progress.

These Financial Statements are approved for issue in accordance with the resolution of the directors on 28.09.2022.

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 |
| Assets held for sale | Fair value less costs to sell |

(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 in lacs rounded off to two decimal places in line with the requirements of Schedule III.

2.03 Revenue recognition

- a) The Company derives revenue primarily from fixed price construction contracts. After the construction of the projects, company will receive annuity from the client, which will be recognised as revenue in the Statement of Profit and Loss over the concession period of the respective projects based on the implicit rate of return embedded in the projected cash flows. Such income is duly adjusted for any variation in the amount and timing of the cash flows in the period in which such variation occurs. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.
- b) Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets /liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.
- c) Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.
- The Company has applied the guidance in Ind AS 115, 'Revenue from Contracts with Customers', by applying the revenue recognition criteria for each of the distinct performance obligation.
- The arrangements generally meet the criteria for considering construction contracts and related services as distinct performance obligation. For allocating the consideration, the Company has measured the revenue in respect of distinct performance obligation at its stand-alone selling price, in accordance with principles given in Ind AS 115. The Company recognizes revenue when it transfers control over a product or a service to a customer. The method for recognizing revenues and costs depends on the nature of the services rendered:

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Group performs; or

The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

d) Fixed Price Contract

Revenues from fixed-price contracts are recognized using the "percentage-of-completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity.

If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognized only to the extent of contract cost incurred for which recoverability is probable irrespective of the stage of completion of contract.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues. Advance payments received from customers for which no services are rendered are presented as advance from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services

The Company accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue recognized at the time of sale.

Revenues are shown net of Goods & Service Tax, applicable discounts and allowances.

e) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

f) Fair value gains on current investments carried at fair value are included in other income.

g) Dividend income is recognised when the right to receive the same is established by the reporting date.

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



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)

Property, plant and equipment are stated at historical cost less accumulated depreciation and cumulative impairment. Historical cost includes expenditure that is directly attributable to acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Cost includes expenditure that is directly attributable and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation on assets has been provided on Straight line basis at the useful lives specified in the Schedule II of the Companies Act, 2013. Depreciation on additions/ deductions is calculated pro-rata from/ to the month of additions/ deductions. However where rate of the depreciation provided in Schedule II of the Companies Act, 2013 does not fully depreciate the assets over the period of the concession, such fixed assets are depreciated over the period of the rights given under the concession agreement, Depreciation on addition and deletion is calculated on pro-rata basis.

| Fixed Assets | Estimated useful life (in number of years) |
|------------------------|--|
| Computers | 3 |
| Plant and Machinery | 15 |
| Furniture and Fixtures | 10 |
| Vehicles | 8 |
| Office Equipment | 5 |

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

For transition to IndAS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 01, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

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 (normally 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".

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".

2.09 Investments

Trade investments comprise investments in entities in which the Group has strategic business interest.

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties. The determination of carrying amount of such investments is done on the basis of weighted average cost of each individual investment.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the requirements of cost model.

2.1 Borrowing costs

Borrowing costs include interest calculated using the effective interest method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for acquisition, construction or production of qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.



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

The income tax expense or credit for the year is the tax payable on current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset when it is highly probable that future economic benefit associated with it will flow to the entity.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However deferred income tax is not accounted if it arises from the initial recognition of an asset or liability that at the time of the transaction affects neither the accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset/liability is realised or settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and deferred tax liabilities are offset, when the entity has a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity wherein the related tax is also recognised in other comprehensive income or directly in equity.

2.13 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the higher of the fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimated future cash flows have not been adjusted.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.14 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.

2.15 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

Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost (unless the same are designated as fair value through profit or loss (FVTPL)):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (unless the same are designated as fair value through profit or loss)

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments at FVTPL is a residual category for debt instruments and all changes are recognised in profit or loss.

Investments in equity instruments are classified as FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in OCI for equity instruments which are not held for trading.

Interest income, dividend income and exchange difference (on debt instrument) on FVTOCI debt instruments is recognised in profit or loss and other changes in fair value are recognised in OCI and accumulated in other equity. On disposal of debt instruments FVTOCI the cumulative gain or loss previously accumulated in other equity is reclassified to profit & loss. However in case of equity instruments at FVTOCI cumulative gain or loss is not reclassified to profit & loss on disposal of investments.

b) **Financial Liabilities**

Financial liabilities are classified at initial recognition, as financial liabilities as 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.

2.16 **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.

2.17 **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.

2.18 **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.

2.19 **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.



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Notes to the financial statements as at and for the year ended 31st March, 2022
(All figures are in Rs. Lakhs unless otherwise stated)

3 Property, plant and equipment

| Particulars | Cost or Deemed cost | | | Accumulated depreciation and impairment | | | | Carrying Amount As at March 31, 2022 | Carrying Amount As at March 31, 2021 |
|---------------------|------------------------------|-----------|-----------|---|-----------------------------|-------------------------|-----------|--|---|
| | Balance at March 31, 2021 | Additions | Disposals | Balance at March 31, 2022 | Balance at April 1, 2021 | Depreciation expense | Disposals | Balance at March 31, 2022 | Balance at March 31, 2021 |
| Office Equipment | 3.38 | - | - | 3.38 | 2.39 | 0.34 | - | 2.73 | 0.99 |
| Computers | 0.06 | - | - | 0.06 | 0.04 | - | - | 0.02 | 0.02 |
| Furniture & Fixture | 0.47 | - | - | 0.47 | 0.41 | 0.03 | - | 0.03 | 0.06 |
| Vehicles | 92.86 | - | - | 92.86 | 30.92 | 10.68 | - | 51.25 | 61.94 |
| Total | 96.77 | - | - | 96.77 | 33.76 | 11.05 | - | 51.96 | 63.01 |

Previous Year

| Particulars | Cost or Deemed cost | | | Accumulated depreciation and impairment | | | | Carrying Amount As at March 31, 2021 | Carrying Amount As at March 31, 2020 |
|---------------------|------------------------------|-----------|-----------|---|-----------------------------|-------------------------|-----------|--|---|
| | Balance at March 31, 2020 | Additions | Disposals | Balance at March 31, 2021 | Balance at April 1, 2020 | Depreciation expense | Disposals | Balance at March 31, 2021 | Balance at March 31, 2020 |
| Office Equipment | 3.38 | - | - | 3.38 | 2.04 | 0.34 | - | 2.39 | 1.33 |
| Computers | 0.06 | - | - | 0.06 | 0.04 | - | - | 0.02 | 0.02 |
| Furniture & Fixture | 0.47 | - | - | 0.47 | 0.34 | 0.07 | - | 0.06 | 0.13 |
| Vehicles | 92.86 | - | - | 92.86 | 19.47 | 11.45 | - | 61.94 | 73.39 |
| Total | 96.77 | - | - | 96.77 | 21.90 | 11.86 | - | 63.01 | 74.87 |



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(All figures are in Rs. Lakhs unless otherwise stated)

4 Investment Property

| Particulars | As at Mar 31, 2022 | As at Mar 31, 2021 |
|-------------------------|-----------------------|--------------------|
| Immovable Property-Land | 23.65 | 23.65 |
| Total | 23.65 | 23.65 |

As per the management estimate, fair value of investment is Rs.24 lakhs

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company consider information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- discounted cash flow projections based on reliable estimates of future cash flows.
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment properties have been determined by management. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 3.

5 Other Non-Current Financial Assets

| Particulars | As at Mar 31, 2022 | As at Mar 31, 2021 |
|---|-----------------------|--------------------|
| Receivable from NHAI under Service Concession Arrangement | 36,514.58 | 41,370.01 |
| Total | 36,514.58 | 41,370.01 |

6 Other Non Current Assets

| Particular | As at Mar 31, 2022 | As at Mar 31, 2021 |
|---------------------------|-----------------------|--------------------|
| To Related Parties | | |
| -Mobilation advance | 574.56 | 612.69 |
| -Material advance | 14.52 | 15.79 |
| -Other Advances* | 1,996.63 | 3,726.65 |
| To Others | | |
| -Other . | 0.32 | 0.32 |
| -Security Deposit | 0.73 | 0.73 |
| Total | 2,586.75 | 4,356.18 |

*Above advance has been requested by the EPC contractor to enable him to meet cash-outflow requirements of the extended/delayed period of the EPC contract. Further, Bank guarantee has been given by the SEW Infrastructure Ltd. Of Rs 1000.00 lakhs valid upto 09-11-2022 and Rs.200.00 lakhs valid up to 13.11.2022.

7 Cash and Cash Equivalents

| Particulars | As at Mar 31, 2022 | As at Mar 31, 2021 |
|----------------------------|--------------------|--------------------|
| Balances with Banks | | |
| -In Current Account | 868.50 | 1,586.79 |
| Cash in hand | 0.18 | 0.64 |
| Total | 868.68 | 1,587.43 |

8 Other Current Financial Assets

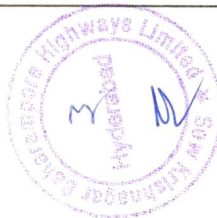
| Particulars | As at Mar 31, 2022 | As at Mar 31, 2021 |
|---|--------------------|--------------------|
| Retention Money held by NHAI | 160.56 | 147.80 |
| Receivable from related parties | 0.10 | 117.00 |
| Receivable from NHAI | 43.64 | 43.14 |
| Receivable from NHAI under Service Concession Arrangement | 36,991.43 | 39,054.95 |
| Total | 37,195.73 | 39,362.89 |

9 Current Tax Assets (Net)

| Particulars | As at Mar 31, 2022 | As at Mar 31, 2021 |
|-----------------|--------------------|--------------------|
| TDS Receivables | 384.46 | 282.59 |
| Total | 384.46 | 282.59 |

10 Other Current Assets

| Particulars | As at Mar 31, 2022 | As at Mar 31, 2021 |
|--|--------------------|--------------------|
| GST- Receivable from NHAI Due to Change in Law | 1,809.52 | 1,784.70 |
| Security Deposit-short term | 0.30 | 0.30 |
| Other Deposits | 5.00 | 5.00 |
| Pre-Paid Expenses | 82.35 | - |
| Staff Advances | 0.50 | 0.39 |
| Balances with Govt. Authorities | | |
| -GST Receivables | 11.10 | 9.63 |
| -WCT Receivables | 19.14 | 19.14 |
| -Amount Deposited under Protest | | |
| -VAT | 9.54 | 9.54 |
| -Income Tax | 14.53 | 14.53 |
| Total | 1,951.98 | 1,843.23 |



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Notes to the financial statements as at and for the year ended 31st March, 2022

(All figures are in Rs. Lakhs unless otherwise stated)

11 Equity Share Capital

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| Note: 1 SHARE CAPITAL | | |
| AUTHORISED: | | |
| Equity Shares of Rs.10/- each | 2,700.00 | 2,700.00 |
| | 2,700.00 | 2,700.00 |
| ISSUED, SUBSCRIBED & PAID UP: | | |
| Equity Shares of Rs.10/- each fully paid up. | 2,690.60 | 2,690.60 |
| Total | 2,690.60 | 2,690.60 |

Foot Notes:

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

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|----------------------|-----------------|----------------------|-----------------|
| | Number in lakhs | In Rs.Lakhs | Number in lakhs | In Rs.Lakhs |
| Number of equity shares at the beginning of the Year | 269.06 | 2,690.60 | 269.06 | 2,690.60 |
| Equity shares issued during the year | - | - | - | - |
| Less : Shares bought back during the year | - | - | - | - |
| Number of equity shares at the end of the Year | 269.06 | 2,690.60 | 269.06 | 2,690.60 |

ii. Terms and rights attached to equity shares

The company has only one class of shares referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. During the year ended 31st 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 all preferential amounts in the proportion to the number of equity shares held by the shareholders.

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

| Name of the Shareholder | As at March 31, 2022 | | As at March 31, 2021 | |
|--|----------------------|--------------|----------------------|--------------|
| | No. of shares held | % of Holding | No. of shares held | % of Holding |
| Equity shares of 10/- each fully paid | | | | |
| SEW Transportation Networks Limited and its nominees | 269.06 | 100% | 269.06 | 100% |
| Total | 269.06 | 100% | 269.06 | 100% |

iv. Details of shares held by holding company

| Name of the Shareholder | As at March 31, 2022 | | As at March 31, 2021 | |
|--|----------------------|--------------|----------------------|--------------|
| | No. of shares held | % of Holding | No. of shares held | % of Holding |
| Equity shares of 10/- each fully paid | | | | |
| SEW Transportation Networks Limited and its nominees | 269.06 | 100% | 269.06 | 100% |
| Total | 269.06 | 100% | 269.06 | 100% |

v. Details of shares held by promoters at year end

| Name of the Promoter | As at March 31, 2022 | | |
|--|----------------------|--------------|--------------------------|
| | No. of shares held | % of Holding | % Change during the year |
| Equity shares of 10/- each fully paid | | | |
| SEW Transportation Networks Limited and its nominees | 269.06 | 100% | NIL |
| Total | 269.06 | 100% | NIL |

| Name of the Promoter | As at March 31, 2021 | | |
|--|----------------------|--------------|--------------------------|
| | No. of shares held | % of Holding | % Change during the year |
| Equity shares of 10/- each fully paid | | | |
| SEW Transportation Networks Limited and its nominees | 269.06 | 100% | NIL |
| Total | 269.06 | 100% | NIL |

12 Instruments entirely equity in nature

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| Unsecured loan from promoters - From STNL | 7,913.00 | 7,913.00 |
| Total | 7,913.00 | 7,913.00 |

Note :Unsecured loan carries Zero percent interest rate and can not be prepaid or will be repaid only after the repayment of Term Loans from Project Lenders only at the option of the company or may be entirely converted into equity share at the option of company.



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Notes to the financial statements as at and for the year ended 31st March, 2022

(All figures are in Rs. Lakhs unless otherwise stated)

13 Other Equity

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--------------------|----------------------|----------------------|
| Profit & Loss | (66,927.56) | (36,330.16) |
| Securities Premium | 4,813.40 | 4,813.40 |
| Total | (62,114.16) | (31,516.76) |

14 Borrowings

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|------------------------------|----------------------|----------------------|
| Secured Loans | | |
| -From Banks | 28,017.33 | 32,183.14 |
| -From Financial Institutions | 5,389.03 | 6,190.31 |
| -From NHAI-OTFIS | - | 8,066.89 |
| Total | 33,406.36 | 46,440.34 |

i) Terms of loans from Banks & Financial institutes :

Except project assets, the term loans are secured by paripassu first charge on all movable assets and immovable properties, machineries, spares, tools and accessories, furniture and fixtures, vehicles, all other movable assets present & future, book debts, receivables of the company, all accounts of the company including escrow and sub escrow accounts, both present and future, first charge on all intangibles assets including but not limited to goodwill, rights, undertaking and uncalled capital present and future and pledge of 51% of the equity shares issued or to be issued by the company to the promoters.

ii) Repayment Terms of Bank & FI :

| | |
|---|---|
| Rate of Interest per annum (%) : | Base rate of SBI plus 2.25% |
| Terms of repayment : | 77.06% Term Loan to be paid in 18 half yearly installments commencing from 31st March 2018 and balance 22.94% in bullet installment. Repayment ranging is from 5.92% to 22.94%. |

iii) Default in Payment of Principle and Interest on Term Loans

The lender have classified lending to the company as "Non- Performing Asset", therefore period wise details of default in payment of interest and principal could not be given. The company is in default of payment of its dues from May 2017.

iv) Loan From NHAI

Under NHAI One Time Fund Infusion Scheme ("OTFIS"), NHAI agreed to infuse Rs. 40,410.00 Lacs which shall be utilized towards the physical completion of balance work of construction of the project highway. The NHAI OTFIS facility will be released by the authority proportionate to the funds disbursed by the senior lenders under the 'Undisbursed amount' and commensurate to the progress and requirement of the Project determined on the basis of the report of various monitoring agencies appointed by the authority.

It shall carry an interest rate equal to 2% above the bank rate of RBI. Interest will be compounded annually and calculated on daily outstanding balance of the NHAI OTFIS Facility and interest thereon that shall have become due but remained to have been paid.

Outstanding principal amount of NHAI OTFIS Facility along with interest which has accrued thereon till date of PCOD/COD in terms thereof shall be repaid /serviced by the Concessionaire from payment of restored annuities of Rs.23,990.40 lakhs subject to waterfall as defined in clause 6(h) of Tripartite Agreement dt. 21st October,2016. The balance outstanding of principal amount of NHAI OTFIS facility along with interest thereon shall be repaid /serviced from Sub-Escrow Account under OTFIS pursuant to the release of each Annuity payment in terms of waterfall mechanism stipulated under Clause 6(h) of Tripartite agreement.

In the event of Termination the outstanding amount out of the NHAI OTFIS facility including interest thereon, shall be recovered on first charge basis by NHAI in full over other recoveries prescribed in the Article 31.4 of the concession Agreement.

Security with respect to loan from NHAI is yet to be created.

v) The Company has not received any recall notice from the lenders during the year.

15 Long Term Provisions

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| Provision for Employee Benefits: | | |
| - Provision for Gratuity | 1.04 | 0.95 |
| Total | 1.04 | 0.95 |

16 Borrowings

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|------------------------------------|----------------------|----------------------|
| Current maturity of long term debt | 29,591.32 | 24,579.32 |
| Total | 29,591.32 | 24,579.32 |



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Notes to the financial statements as at and for the year ended 31st March, 2022

(All figures are in Rs. Lakhs unless otherwise stated)

17 Other Current Financial Liabilities

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------------------|----------------------|----------------------|
| Interest accrued and due on borrowing | 40,877.33 | 29,678.72 |
| Interest on OTFIS from NHAI | 274.06 | 274.06 |
| Expenses Payables | 319.66 | 313.15 |
| Retention Money | 42.66 | 42.66 |
| Related Party | | |
| -Retention Money | 1,538.53 | 1,502.21 |
| -Payable to EPC contractor | 24,214.24 | 6,599.50 |
| -Expenses Payables | 228.70 | 195.04 |
| -Payable to Related Parties | 33.56 | 33.56 |
| Total | 67,528.74 | 38,638.90 |

18 Short Term Provisions

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| Provision for Employee Benefits: | | |
| -Provision for Gratuity | 6.19 | 5.71 |
| -Provision for Leave Encashment | 2.01 | 1.36 |
| Total | 8.21 | 7.07 |

19 Other Current liabilities

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|----------------------------|----------------------|----------------------|
| Advance from NHAI | 4.28 | 4.28 |
| Statutory Dues | | |
| -TDS payables | 539.18 | 125.55 |
| -PF Payables | 0.27 | 0.17 |
| -Professional tax payables | 0.08 | 0.10 |
| -WCT Payables | 0.49 | 0.49 |
| -GST payables | 8.37 | 4.97 |
| Total | 552.68 | 135.56 |



SEW Krishnagar Baharampore Highways Limited

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Notes to the financial statements as at and for the year ended 31st March, 2022

(All figures are in Rs. Lakhs unless otherwise stated)

20 Revenue from Operations

| Particulars | For the year ended Mar 31, 2022 | For the year ended Mar 31, 2021 |
|---------------------------|------------------------------------|------------------------------------|
| Project income | 21,174.54 | 9,016.31 |
| Utility shifting receipts | 73.66 | 30.83 |
| O&M Income | 1,148.22 | 1,245.66 |
| Finance income | 2,928.15 | 3,456.49 |
| Total | 25,324.56 | 13,749.28 |

21 Other Income

| Particulars | For the year ended Mar 31, 2022 | For the year ended Mar 31, 2021 |
|-------------------------------|------------------------------------|------------------------------------|
| Interest on Income Tax Refund | - | 15.64 |
| Total | - | 15.64 |

22 Contract Cost

| Particulars | For the year ended Mar 31, 2022 | For the year ended Mar 31, 2021 |
|---------------------------|------------------------------------|------------------------------------|
| Project Expenses | 21,174.54 | 9,016.31 |
| Utility shifting expenses | 73.66 | 30.83 |
| O&M Expenses | 1,093.54 | 1,186.34 |
| Total | 22,341.74 | 10,233.48 |

23 Employee Benefit Expenses

| Particulars | For the year ended Mar 31, 2022 | For the year ended Mar 31, 2021 |
|--------------------|------------------------------------|------------------------------------|
| Salaries and Wages | 50.16 | - |
| Total | 50.16 | - |

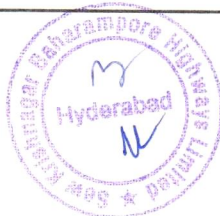
24 Finance Cost

| Particulars | For the year ended Mar 31, 2022 | For the year ended Mar 31, 2021 |
|-----------------------|------------------------------------|------------------------------------|
| Interest on borrowing | 11,198.61 | 9,946.23 |
| Interest on OTFIS | 1,113.66 | 1,535.02 |
| Other borrowing cost | 0.18 | - |
| Total | 12,312.44 | 11,481.25 |

25 Other Expenses

| Particulars | For the year ended Mar 31, 2022 | For the year ended Mar 31, 2021 |
|---------------------------------|------------------------------------|------------------------------------|
| Audit fees | 3.10 | 3.10 |
| Legal and Professional Expenses | 45.18 | - |
| Interest & Penalty | 0.58 | - |
| ROC Fee & Charges | 0.44 | 0.46 |
| Others | 3.86 | - |
| Modification Loss * | 21,153.86 | 7,009.89 |
| Total | 21,207.01 | 7,013.45 |

* Modification loss recognised due to change/modification in the estimated cash flows of the financial asset.



26 Financial Instruments

A Disclosure of Financial Instruments by Category

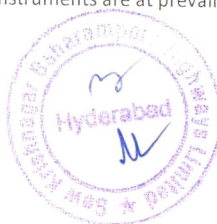
| Financial instruments by categories | Note no. | As at March 31, 2022 | | | As at March 31, 2021 | | |
|-------------------------------------|----------|----------------------|--------|-------------------|----------------------|--------|-------------------|
| | | FVTPL | FVTOCI | Amortized cost | FVTPL | FVTOCI | Amortized cost |
| Financial asset | | | | | | | |
| Other Non-Current Financial Asset | 5 | - | - | 36,515 | - | - | 41,370.01 |
| Cash and cash equivalents | 7 | - | - | 869 | - | - | 1,587.43 |
| Other current financial assets | 8 | - | - | 37,196 | - | - | 39,362.89 |
| Total Financial Asset | | | | 74,578.99 | | | 82,320.34 |
| Financial liability | | | | | | | |
| Non -current Borrowings | 14 | - | - | 33,406 | - | - | 46,440.34 |
| Current Borrowings | 16 | - | - | 29,591 | - | - | 24,579.32 |
| Other current financial liabilities | 17 | - | - | 67,529 | - | - | 38,638.90 |
| Total Financial Liabilities | | - | - | 130,526.42 | - | - | 109,658.57 |

B 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 | Level | Carrying amount | Fair value | Level |
| Financial Assets | | | | | | | |
| Other Non-Current Financial Asset | 5 | 36515 | 36515 | 3 | 41370 | 41370 | 3 |
| Cash and cash equivalents | 7 | 869 | 869 | 3 | 1587 | 1587 | 3 |
| Other current financial assets | 8 | 37196 | 37196 | 3 | 39363 | 39363 | 3 |
| Total Financial Assets | | 74,578.99 | 74,578.99 | | 82,320.34 | 82,320.34 | |
| Financial liability | | | | | | | |
| Long term borrowings | 14 | 33406 | 33406 | 3 | 46440 | 46440 | 3 |
| Short Term Borrowings | 16 | 29591 | 29591 | 3 | 24579 | 24579 | 3 |
| Other current financial liabilities | 17 | 67529 | 67529 | 3 | 38639 | 38639 | 3 |
| Total Financial Liabilities | | 130,526.42 | 130,526.42 | | 109,658.57 | 109,658.57 | |

The carrying amount of current financial assets and other current financial liabilities measured at amortised cost are considered to be the same as their fair values, due to their short term nature.

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



27 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

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. 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

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest risk arises to the company mainly from Long term borrowings with variable rates. The company measures risk through sensitivity analysis. Currently, Lending by Commercial Banks is at variable rate, which is an inherent business risk.

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

| Particulars | Notes | As at March 31, 2022 | As at March 31, 2021 |
|---|-------|----------------------|----------------------|
| Senior Debt from Banks & FI - Variable rate | 14 | 33,406.36 | 38,373.45 |
| Loan from NHAI | 14 | - | 8,066.89 |
| Current maturities of long term borrowing | 16 | 29,591.32 | 24,579.32 |
| Total | | 62,997.68 | 71,019.66 |

Sensitivity analysis based on average outstanding Senior Debt

| Interest Rate Risk Analysis | Impact on profit/ loss after tax | |
|--|----------------------------------|------------|
| | FY 2021-22 | FY 2020-21 |
| Increase or decrease in interest rate by 25 basis points | 1,675.22 | 2,001.83 |

iii Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The company measures risk through sensitivity analysis. The company is not exposed to price risk due during the year.

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

| Current Year | | | | | |
|--|-----------------|-------------|-------------|-------------|------------|
| As at March 31, 2022 | Carrying Amount | upto 1 year | 1 - 2 years | 2 - 5 years | > 5 years |
| Non Derivative Financial Liability | | | | | |
| Long term borrowings with current maturity | 62,997.68 | 29,591.32 | 5,417.57 | 17,260.35 | 10,728.44 |
| Other current financial liabilities excluding current maturity of long term borrowings | 67,528.74 | 67,528.74 | - | - | - |
| Derivative Financial Liability | NIL | NIL | NIL | NIL | NIL |

| Previous Year | | | | | |
|--|-----------------|-------------|-------------|-------------|------------|
| As at March 31, 2021 | Carrying Amount | upto 1 year | 1 - 2 years | 2 - 5 years | > 5 years |
| Non Derivative Financial Liability | | | | | |
| Long term borrowings with current maturity | 71,019.66 | 24,579.32 | 13,484.45 | 17,260.35 | 15,695.53 |
| Other current financial liabilities excluding current maturity of long term borrowings | 14,059.58 | 14,059.58 | - | - | - |
| Derivative Financial Liability | NIL | NIL | NIL | NIL | NIL |

C) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The company generally does not have trade receivables as collection of toll income coincide as and when the traffic passes through toll - plazas. Hence, the management believes that the company is not exposed to any credit risk.

28 Capital Management

For the purpose of the company's capital management, capital includes issued equity capital, share premium 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.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The gearing ratio in the infrastructure business is generally high. The net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents and Other Bank Balances.

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| Long term borrowings(Excluding current maturity) | 33,406.36 | 46,440.34 |
| Other financial liabilities-Current | 67,528.74 | 38,638.90 |
| Other Current Liabilities | 552.68 | 135.56 |
| Total Liabilities (A) | 101,487.78 | 85,214.81 |
| Less: | | |
| Cash and Cash Equivalent | 868.68 | 1,587.43 |
| Other Bank Balances | - | - |
| Total Assets (B) | 868.68 | 1,587.43 |
| Net debt (A-B) | 100,619.10 | 83,627.37 |
| Equity including Other Equity | (51,510.56) | (20,913.16) |
| Capital and Net debt (C) | 49,108.53 | 62,714.21 |
| Gearing ratio (Net Debt/ Capital & Net Debt) | 205% | 133% |



SEW Krishnagar Baharampore Highways Limited

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Notes to the financial statements as at and for the year ended 31st March, 2022

(All figures are in Rs. Lakhs unless otherwise stated)

29 Disclosure pursuant to Appendix of IND AS 115 " Revenue from Contracts with Customer

Description and classification of the arrangement

The Company has entered into Concession Agreement ('CA') with National Highway Authority of India (NHAI) dated June 16, 2011 for the purpose of Four- lanning of Krishnagar –Baharampore section of NH – 34 from Km 115.00 to Km 193.00 in the State of West Bengal under NHDP Phase III on DBFOT (Annuity) Pattern basis (Package NoNHDP – III/BOT/WB/02) . The Concession Period is of 15 years including construction period of 30 Months. The Company has recived PCOD on 10-02-2020.

Significant Terms of the arrangements

Annuity Payment:

The company is, performing and discharging its obligations in accordance with the terms and conditions and covenants set forth in CA, eligible for the receipt of fixed amount of annuity on each annuity payment date.

Annuity payment date means each period for which the annuity is payable under the terms of the CA and as described under schedule M of the CA.

Bonus or reduction in annuity:

In terms of the CA the company shall receive bonus for early completion of the project or incur reduction in annuity for delay completion of the project. Delay in project due to non availability of Land ,Project is facing Time and cost overrun ,NHAI as intimated so far 2.08 lost annuities.

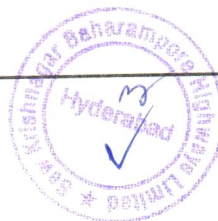
Levy and collection of fee from the users:

In terms of the CA, NHAI shall have the authority to levy toll or fee on the vehicles using the project facilities and to demand, collect, retain and appropriate the fee in accordance with the applicable laws.

Details of Termination

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

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



SEW Krishnagar Baharampore Highways Limited

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Notes to the financial statements as at and for the year ended 31st March, 2022

(All figures are in Rs. Lakhs unless otherwise stated)

30 Ratio

The ratios for the years ended March 31,2022 and March 31,2021 are as follows :

| Ratio | Numerator | Denominator | For the year ended and as on 31 March 2022 | For the year ended and as on 31 March 2021 | Variance % | Reason of Variance [If change is more than 25%] |
|---|--|-----------------------------|--|--|------------|--|
| i) Current Ratio (times) | Current Assets | Current Liabilities | 0.41 | 0.68 | -39.71% | Due to increase in current liabilities |
| ii) Debt Service coverage Ratio (times) | Earnings available for debt service | Debt Service | 2.00 | 0.14 | 1328.76% | Due to increase in losses and non repayment of borrowing from bank |
| iii) Return on Equity Ratio (%) | Profit for the year after tax | Average shareholders equity | 0.84 | 1.11 | -24.32% | NA |
| iv) Inventory Turnover Ratio | Cost of goods sold | Average Inventory | NA | NA | NA | NA |
| v) Trade Receivables turnover Ratio | Revenue from operations | Average Receivables | NA | NA | NA | NA |
| vi) Trade Payables turnover Ratio | Purchases | Average trade payables | NA | NA | NA | NA |
| vii) Net Capital turnover Ratio | Revenue from operations | Average Working Capital | -0.44 | -0.68 | -35.3% | Due to increase in current liabilities and increase in revenue |
| viii) Net Profit Ratio (%) | Profit for the year after tax | Revenue from operations | -120.82% | -108.83% | 11.0% | NA |
| ix) Return on Capital Employed (%) | Earning before interest and taxes and Finance cost | Capital employed | 35.50% | 16.65% | 113.2% | Due to increase in losses |
| x) Debt - Equity Ratio (times) | Total debt | Shareholder's equity | -1.22 | -3.40 | -64.0% | Due to repayment of debt |
| xi) Return on Investments | Income from Investments | Average invested Fund | NA | NA | NA | |



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

32 Disclosures pursuant to Indian Accounting standard (Ind AS) 115, Revenue from Contracts with Customers

a) Method used to recognise the contract revenue - Work executed during the year and remaining to be executed

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| Revenue recognised during the year | 21,248.20 | 9,047.14 |
| Contract cost incurred during the reporting period | 21,248.20 | 9,047.14 |

b) Disclosures pursuant to Indian Accounting standard (Ind AS) 115, Revenue from Contracts with Customers

The Company believes that the information provided under Note 19, Revenue from Operations, is sufficient to meet the disclosure objectives with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.

c) Reconciliation of revenue as per Ind AS 115

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|----------------------|----------------------|----------------------|
| Construction revenue | | |
| Adjustments | 21,248.20 | 9,047.14 |
| Total | 21,248.20 | 9,047.14 |

c) Disaggregate revenue information

Revenue based on Geography

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-------------|----------------------|----------------------|
| Domestic | | |
| Export | 21,248.20 | 9,047.14 |
| Total | 21,248.20 | 9,047.14 |

33 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.

34 Disclosure pursuant to Ind AS 19 - Employee Benefits

Defined-Benefits Plans: The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount) and leave encashment. Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (immediately before retirement). The gratuity scheme covers substantially all regular employees. Commitments are actuarially determined at year-end. The actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to Statement of Profit and loss.

Reconciliation of Benefit Obligation:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| Liability at the beginning of the period / year | 6.66 | 6.36 |
| Acquisition adjustment | 0.00 | 0.00 |
| Interest Cost | 0.44 | 0.42 |
| Past Service Cost | 0.00 | 0.00 |
| Current Services Cost | 0.59 | 1.15 |
| Benefits paid | 0.00 | 0.00 |
| Actuarial (gain)/ loss | -0.45 | -1.26 |
| Liability at the end of the period / year | 7.24 | 6.66 |

Amount to be recognised in the Balance Sheet

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| Liability at the end of the period / year | 7.24 | 6.66 |
| Fair value of plan assets at the end of the period / year | - | - |
| Amount to be recognised in Balance Sheet | 7.24 | 6.66 |

Expenses recognised in the Statement of Profit and Loss under the head employee benefits expense

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|-----------------------------------|-----------------------------------|
| Current service cost | 0.59 | 1.15 |
| Past service cost | - | - |
| Interest cost | 0.44 | 0.42 |
| Acquisition adjustment | - | - |
| Premium Expenses | - | - |
| Expected return on plan assets | - | - |
| Net actuarial (gain)/loss recognized | -0.45 | -1.26 |
| Expenses recognized in Statement of Profit and Loss | 0.58 | 0.30 |

Remeasurement for the period

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|-----------------------------------|-----------------------------------|
| Experience (gain)/Loss on plan liabilities | 0.00 | 0.00 |
| Demographic (gain)/loss on plan liabilities | 0.00 | 0.00 |
| Financial (gain)/loss on plan liabilities | -0.45 | -1.26 |
| Experience (gain)/loss on plan assets | 0.00 | 0.00 |
| Financial (gain)/loss on plan assets | 0.00 | 0.00 |

Principal actuarial assumption:

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Discount rate | 6.81% Per annum | 6.61% Per annum |
| Salary Growth Rate | 4% | 4% |
| Mortality | IALM (2012-14-Ult) | IALM (2012-14-Ult) |
| Expected rate of return | 0 | 0 |
| Withdrawal rate (Per Annum) | 3% | 3% |
| Normal Retirement Age | 60 Years | 60 Years |
| Salary | Last Drawn Salary | Last Drawn Salary |
| Vesting Period | 5 Years of service | 5 Years of service |
| Benefits on Normal Retirement | Same as per the provision of the Payment of Gratuity Act, 1972 (as amended from time to time) | Same as per the provision of the Payment of Gratuity Act, 1972 (as amended from time to time) |
| Benefit on early exit due to death and disability | Same as normal retirement benefit based on service upto the date of exit. | Same as normal retirement benefit based on service upto the date of exit. |
| Limit (in Rs. Lakhs) | 20.00 | 20.00 |



| Sensitivity Analysis | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| | INCREASE | INCREASE |
| A Effect of 1% Change in the Assumed Discount Rate | | |
| 1. Effect on DBO | 7.12 | 6.55 |
| A Effect of 1% Change in the Assumed Salary Rate | | |
| 2. Effect on DBO | 7.38 | 6.79 |
| A Effect of 50% Change in the Assumed Attrition Rate | | |
| 3. Effect on DBO | 7.30 | 6.77 |
| A Effect of 10% Change in the Assumed Mortality Rate | | |
| 4. Effect on DBO | 7.28 | 6.66 |
| | DECREASE | DECREASE |
| A Effect of 1% Change in the Assumed Discount Rate | | |
| 1. Effect on DBO | 7.37 | 6.79 |
| A Effect of 1% Change in the Assumed Salary Rate | | |
| 2. Effect on DBO | 7.11 | 6.55 |
| A Effect of 50% Change in the Assumed Attrition Rate | | |
| 3. Effect on DBO | 7.12 | 6.58 |
| A Effect of 10% Change in the Assumed Mortality Rate | | |
| 4. Effect on DBO | 7.23 | 6.66 |
| Current & Non Current liability: | | |
| Period | As at March 31, 2022 | As at March 31, 2021 |
| Current Liability | 6.19 | 5.71 |
| Non Current Liability | 1.04 | 0.95 |
| Total Liability | 7.24 | 6.66 |

35 Disclosure of related parties / related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

A. Following is the list of related parties and relationships:

| Name | Relationship |
|--|--------------------------|
| SEW Infrastructure Limited | Ultimate Holding Company |
| SEW Transportation Networks Limited | Holding Company |
| SEW LSY Highways Limited | Fellow Subsidiaries |
| SEW Nafra Power Corporation Limited | Fellow Subsidiaries |
| SEW VizagCoal Terminal Private Limited | Fellow Subsidiaries |
| SEW Bellary Highways Limited | Fellow Subsidiaries |
| HIMA BINDU MYNENI | Independent Director |
| VENKATA RAMUDU MUTHULURU | Director |
| SIVARAMA KRISHNAPRASAD VINTI | Director |



SEW Krishnagar Baharampore Highways Limited
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Notes to the financial statements as at and for the year ended 31st March, 2022
(All figures are in Rs. Lakhs unless otherwise stated)

B. Related Party 'transactions' during the period & balances ended March 31, 2022 are as follows:
Transaction:

| Sr. No | Transaction | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--------|-----------------------------------|-----------------------------------|-----------------------------------|
| 1 | EPC & Utility Expenses | | |
| | SEW Infrastructure Ltd. | 21,248.20 | 7,562.81 |
| 2 | Capital Advance | | |
| | SEW Infrastructure Ltd. | - | 65.69 |
| 3 | Sell of Bitmen | | |
| | SEW Infrastructure Ltd. | | 0.00 |
| 3 | O&M Expenses | | |
| | SEW Infrastructure Ltd. | 1,093.54 | 1186.34 |
| 4 | Director Sitting Fees | | |
| | Hima Bindu Myneni | 1.00 | 1.00 |
| | Vilasitha Dandamudi | 0.60 | 0.60 |

Advances & Outstanding Balances (figures in brackets represent payable)

| Sr. No | Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--------|---|----------------------|----------------------|
| 1 | Zero percent Interest Loan | | |
| | a. SEW Transportation Networks Ltd. | (7913.00) | (7913.00) |
| 2 | EPC and Utility Payables | | |
| | SEW Infrastructure Ltd | (24214.24) | (6599.50) |
| 3 | Capital Advances | | |
| | Mobilization - SEW Infrastructure Ltd | 574.56 | 612.69 |
| | Material - SEW Infrastructure Ltd | 14.52 | 15.79 |
| | Other Advances - SEW Infrastructure Ltd | 1996.63 | 3726.65 |
| 4 | Retention Money | | |
| | SEW Infrastructure Ltd-Payable | (1538.53) | (1502.21) |
| 5 | Running Accounts | | |
| | a) SEW Infrastructure Ltd | (228.60) | (78.04) |
| | b) SEW Vizag Coal Terminal Private Ltd | (7.38) | (7.38) |
| | c) SEW LSY Highways Limited | (6.44) | (6.44) |
| | d) SEW Bellary Highways Limited | (19.74) | (19.74) |
| | e) SEW Nafra Power Corporation Limited | 0.00 | 0.00 |

There is no provision for bad and doubtful debts to related parties with regard to outstanding expenses and there is no expense recognized in respect of bad and doubtful debts due from related parties.

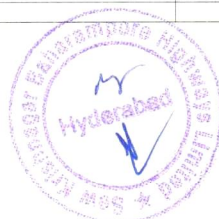
36 Disclosure pursuant to Ind AS 23 "Borrowing Costs"

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--|-----------------------------------|-----------------------------------|
| Borrowing Cost incurred during the year | 12,312.44 | 11,481.25 |
| Less: Capitalized during the year | | - |
| Borrowing Cost Charged to Statement of Profit & Loss | 12,312.44 | 11,481.25 |

37 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 | INR | -30,597.40 | -14,963.26 |
| Equity Shares outstanding | Nos. (In Lakhs) | 269.06 | 269.06 |
| Weighted Avg. Equity Share outstanding | Nos. (In Lakhs) | 269.06 | 269.06 |
| Nominal Value of Equity Share | INR | 10.00 | 10.00 |
| Basic Earnings per Share | INR | (113.72) | (55.61) |
| Diluted Earnings per Share | INR | (113.72) | (55.61) |



38 Contingent Liabilities, Contingent Assets and Capital Commitment

a) Contingent Liabilities :

i) Income Tax demand raised by the Income Tax Department amounting to Rs. 14.52 lakhs for the AY 2017-18 u/s 143(3) of the Income Tax Act, 1961. The Company has filed an appeals before CIT (A) against this said demand.

ii) Default amounting to Rs. 8.13/- Lakh reflected by Traces – IT Department TDS Portal, with respect to default in compliance of TDS Provisions.

iii) Default amount to Rs. 415.31/- Lakh reflected by VAT Department Portal, with respect to default in compliance of the VAT Provision.

Yearwise Default of VAT

| Particulars | As at Mar 31, 2022 | As at Mar 31, 2021 |
|----------------|--------------------|--------------------|
| For FY 2014-15 | 335.53 | 335.53 |
| For FY 2016-17 | 79.78 | 79.78 |
| Total | 415.31 | 415.31 |

iv) Claims raised by the EPC contractor not acknowledge as debt by the Company :

| Particulars | As at Mar 31, 2022 | As at Mar 31, 2021 |
|---|--------------------|--------------------|
| Claims towards additional maintenance | 122.00 | 122.00 |
| Claims towards additional overheads | 6093.00 | 6093.00 |
| Claims towards positive change of scope | 3498.60 | 3498.60 |
| Claims towards additional financial implication towards implementation of GST | 1753.00 | 1753.00 |
| Claims towards increase in capital cost from Oct 2017 to Mar 2020 | 1277.00 | 1277.00 |
| Claims towards loss of profit | 25758.00 | 25758.00 |
| Claims for Additional Expenses during the extended Period | 6356.00 | 6356.00 |
| Total claims | 44857.60 | 44857.60 |
| Less : Claims booked against all the aforesaid claims in the book of accounts | -28900.00 | -8900.00 |
| Total | 15,957.60 | 35,957.60 |

EPC Contractor has been continuously seeking reimbursement of additional cost incurred on account of prolongation of contract period due lack of possession of land. It was also brought to the Notice of the Board that the EPC Contractor may resort to invocation of dispute resolution clauses of the EPC Agreement. In this regard the Company has informed the EPC contractor that company would get the independent valuation of additional cost incurred as per the terms of the EPC Agreement and would consider to settle the additional cost issues. After due deliberations, it was decided by the Board that, in order to avoid the precipitation of the issue, the company do hereby admits a claim of Rs. 67.00 Crore of EPC Contractor, on the condition that the contractor would refrain from invoking dispute resolution clause of the EPC agreement, till the works on available fronts are completed.

After declaration of PCOD by NHAI, the EPC contractor submitted claims for expenses incurred of Rs. 448.56 Crore. On being disputed, the same was referred to the Arbitration Panel for settlement of the issues in accordance with the provisions of the EPC Agreement. The Arbitration Tribunal ordered for the payment of Rs. 289.31 crore to the EPC Contractor and the same has been accounted in the book of accounts.

v) M/s Galore filed a claim of Rs 15.69 cr whereas the Company filed counter claim of Rs 15.13 cr. The matter could not move further as the claimant did not agree on appointment of Arbitrator in terms of the material supply agreement. They approached HC of Hyderabad which dismissed on 09.06.2020, their appeal for appointment of arbitrators u/s 11 of the Arbitration Act. Further, M/s Galore has filed on 26-10-2020, an SLP before Hon'ble SC which is yet to be heard.

vi) Claims raised by the NHAI not acknowledge as debt by the Company :

| Particulars | As at Mar 31, 2022 | As at Mar 31, 2021 |
|--|--------------------|--------------------|
| Maintenance cost recovered by NHAI in 12th Annuity dues but the same has been disputed & not accepted by the Company as it relates to the period for which Company was not obliged for it. | 3,555.86 | 3,555.86 |

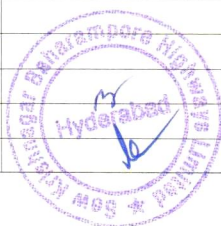
b) Contingent Assets :

The Concessionaire had submitted various claims under the provisions of the Concession Agreement (CA) raised during Construction as well as Maintenance Periods. The Authority invited the Concessionaire for amicable resolution of the Disputes through conciliation by Conciliation Committee of Individual Experts (CCIE) in accordance with NHAI/Policy Guidelines. In terms of the NHAI policy, the company approached NHAI in Dec 2020, for resolving the dispute thru conciliation. SKBHL filed claims for Rs 1481.12 cr. The summary of all the claims submitted by the Concessionaire is tabulated below.

Due to pandemic, only virtual meetings have taken place so far and the conciliation process is still in progress.

j) Claims raised by the Company to NHAI :

| Particulars | As at Mar 31, 2022 | As at Mar 31, 2021 |
|--|--------------------|--------------------|
| Missed Annuities | 34,394.00 | 34,394.00 |
| Increase in interest on debt during construction period | 38,321.00 | 38,321.00 |
| Increase in overheads | 6,093.00 | 6,093.00 |
| Increase in capital cost on account of inflation | 12,739.00 | 12,739.00 |
| Maintenance of existing road during extended period | 122.00 | 122.00 |
| Additional expenditure for IE supervision charges during extended period | 207.00 | 207.00 |
| Loss of profit | 25,984.00 | 25,984.00 |
| Change in law-GST | 1,753.00 | 1,753.00 |
| Change of Scope | 3,498.60 | 3,498.60 |
| Deductions from 1st annuity | 17,761.00 | 17,761.00 |
| Interest on Claims | 4,147.00 | 4,147.00 |
| Additional Cost of Balance Works | 3,092.00 | 3,092.00 |
| Total | 148,111.60 | 148,111.60 |



SEW Krishnagar Baharampore Highways Limited
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Notes to the financial statements as at and for the year ended 31st March, 2022
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Except above 36 (a) & (b), there were no litigation pending against the company which could be materially impact its financial position as at the end of the year.

c) Capital commitments (Net of Advances)

| | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| EPC & Preoperative* | 81,367.68 | 81,367.68 |
| Less: Mobilization and Material Advance | 589.08 | 628.48 |
| Less: Work done (Excluding EPC Claim) | 69,911.38 | 68,736.84 |
| Less: Work descoped adjusted in first annuity letter | 977.22 | 977.22 |
| Balance** | 9,890.00 | 11,025.14 |

*The project cost has been revised with effect from 20th October 2016 as per tripartite agreement.

**Only 1.84 kms has been made available and work on these stretches are in full swing. Likely to be completed by Dec 21. Remaining stretches are yet to be handed over obstruction free by NHAI.

**The NHAI vide letter No. 20893/NHAI/PIU-Krishnagar/W-39, has descoped length of 3.962 KM, but the amount is still undetermined. As and when the amount is determined, accounting of the same will be done.

- 39 The Company got the provisional completion certificate w.e.f. 10th Feb, 2020 for 65.018 KM out of 76.36 KM of carriageway. Till January 2020, total 11 annuities were due, out of which 2.08 annuities were forfeited by NHAI & 3.92 annuities were received by the Company as per tripartite agreement and 5 annuities amounting to Rs. 30,600 lakhs have not been released by the NHAI. Further, IE vide letter dated 20th July 2020, has recommended in terms of clause 27.1.2 of CA, that 90% of annuities is payable until the completion certificate is issued. Relying on IE recommendations, NHAI deducted 10% of all the annuities which has been released by the NHAI till date. The Company has filed claims for the recovery of 5 unpaid annuities amounting to Rs. 30,600 lakhs not released by NHAI and also for recovery of 10% amount of annuities deducted by NHAI so far. Since all underlying obligations are duly completed, the Company is fully confident of recovery of above claimed amounts and accordingly, the same has considered in the financial model for arriving at the carrying value of 'Receivable from NHAI under service concession arrangement

40 Going Concern

The Company has incurred loss of Rs. 30597.87 lakhs during the year and continues to incur losses with negative net worth of Rs. 51511.03 Lakh. Moreover, Current liabilities significantly exceed the current assets as at the year end and the Company borrowings have been classified as non-performing assets by the lenders due to defaults in payment of related dues. These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

However, The Company got the provisional Commercial Operations Date (PCOD) on 10th Feb, 2020 and annuity has started from the date of achievement of PCOD. Further, in the view of the management's expectation of the realization of claims as mentioned in note 36 (b) of the financial statements and withheld annuity as mentioned in note 37 of the financial statements, the management believes that the Company will be able to meet its financial obligations and therefore, going concern assumption is appropriate and financial statements has been drawn accordingly.

41 Payment to Auditor

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|-------------------|-----------------------------------|-----------------------------------|
| (a) Audit Fee | 3.00 | 3.00 |
| b) other services | 0.10 | 0.10 |
| Total | 3.10 | 3.10 |

- 42 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.

43 Reconciliation between the Opening and Closing balances in the financial statement for Liabilities and Financial Assets arising from Financial Activities (Ind AS-7)

For the Year Ended on 31 March 2022

| Particulars | Long Term Borrowings | Interest | Total |
|----------------------------------|----------------------|-----------|------------|
| Opening Balance | 71,019.67 | 29,952.78 | 100,972.45 |
| Interest Accrued during the year | | 12,312.44 | 12,312.44 |
| Cash Flows | | | - |
| Received | | | - |
| Repayment | -8,021.98 | | -8,021.98 |
| Interest Paid | | -1,113.83 | -1,113.83 |
| Non Cash Items | | | |
| Closing Balance | 62,997.69 | 41,151.39 | 104,149.07 |

For the Year Ended on 31st March 2021

| Particulars | Long Term Borrowings | Interest | Total |
|----------------------------------|----------------------|-----------|------------|
| Opening Balance | 89,126.86 | 24,544.20 | 113,671.06 |
| Interest Accrued during the year | | 11,481.25 | 11,481.25 |
| Cash Flows | | | |
| Received | 1,500.00 | | 1,500.00 |
| Repayment | -19,607.19 | -6,072.67 | -25,679.86 |
| Interest Paid | | | - |
| Non Cash Items | | | |
| Closing Balance | 71,019.67 | 29,952.78 | 100,972.45 |



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Notes to the financial statements as at and for the year ended 31st March, 2022

(All figures are in Rs. Lakhs unless otherwise stated)

44 Foreign Currency Transactions

| Particulars | 2021-22 | 2020-21 |
|-------------------------------------|---------|---------|
| (i) Expenditure in Foreign Currency | Nil | Nil |
| (ii) CIF value of Import | Nil | Nil |
| (iii) Earnings in Foreign Exchange | Nil | Nil |
| (iv) Remittance in Foreign Exchange | Nil | Nil |

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

The Company is 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.

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

Based on a review of the future discounted cash flows of the project facility, the recoverable amount is higher than the carrying amount and hence no provision for impairment is made for the year.

47 Other Matters : Information with regards to the other matters specified in schedule III to the Act, ie either NIL or Not Applicable to the Company for the current and previous year, and therefore has not been presented in the Financial Statements.

48 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.

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

As per our report of even date attached

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

For and on behalf of the Board of Directors

G.K. Agrawal
(Partner)
(M No. 081603)



Place: New Delhi
Date: 28.09.2022

Venkata Ramudu.M
Director
DIN:09239182

Hima Bindu Myneni
Director
DIN: 07120807

