

# **HAZARIBAGH RANCHI EXPRESSWAY LIMITED**

## **ANNUAL REPORT**

**2021-22**

### **Stock Exchange:**

#### **National Stock Exchange of India Limited**

'Exchange Plaza', Bandra Kurla Complex,

Bandra (East), Mumbai - 400 051

Email ID: [ydeshmukh@nse.co.in](mailto:ydeshmukh@nse.co.in)

### **Registrar and Share Transfer Agent (RTA):**

#### **Link InTime India Pvt Limited**

C-101, 247 Park, LBS Marg, Surya Nagar,

Vikhroli (West), Mumbai – 400 083

Phone: +91 22 4918 6000

Email ID: [ganesh.jadhav@linkintime.co.in](mailto:ganesh.jadhav@linkintime.co.in)

### **Debenture Trustee:**

#### **IDBI Trusteeship Services Limited**

Asian Building, Ground Floor,

17, R Kamani Marg, Ballard Estate,

Mumbai 400 001

Email ID: [rmitra@idbitrustee.com](mailto:rmitra@idbitrustee.com)

# Hazaribagh Ranchi Expressway Limited

**Regd. Office :** The IL&FS Financial Center, Plot C-22, G Block,  
Bandra Kurla Complex, Mumbai- 400051  
**Tel :** 022-26533333 **Fax :** 022-26523979  
**CIN :** U45203MH2009PLC191070

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## **NOTICE OF THE 13<sup>th</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 13<sup>th</sup> Annual General Meeting of the Members of Hazaribagh Ranchi Expressway Limited will be held at Friday, September 30, 2022 at 11.00 a.m. IST through Video Conference mode at the Registered Office of the Company at The IL&FS Financial Centre, Plot C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 which shall be deemed to be venue of the meeting to transact the following business:

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### **ORDINARY BUSINESS:**

- (1) To receive, consider and adopt the Audited Financial Statement containing the Balance Sheet as at March 31, 2022 and the Profit & Loss Account, Cash Flow Statement, notes and schedules forming part of the Financial Statement for the year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon.

**“RESOLVED THAT** pursuant to section 134 of the Companies Act, 2013 Financial Statement containing the Balance Sheet as at March 31, 2022 and the Profit & Loss Account, Cash Flow Statement, notes and schedules forming part of the Financial Statement for the period ended 31<sup>st</sup> March 2022 together with the Director’s Report and Auditor’s Report thereon be and are hereby received, considered and adopted.”

- (2) To appoint as director in place of Mr. Mohit Bhasin (DIN: 03249662), who retires by rotation and being eligible offers himself for re-appointment.

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Mohit Bhasin (DIN: 03249662), Director, who retire by rotation at this meeting and being eligible has offered himself for re-appointment be and is hereby reappointed as a Director of the Company, liable to retire by rotation”

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### **SPECIAL BUSINESS:**

- (3) To consider and appoint Mr. Amit Prakash as Manager and Key Managerial Personnel of the Company:

*To consider and, if thought fit to pass, with or without modifications, the following resolution as an Ordinary Resolution.*

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and such other approval, as deemed necessary, Mr. Amit Prakash be and is hereby appointed as a Manager and Key Managerial Personnel of the Company, as defined under Section 2(53) and 2(51) of the Companies Act, 2013, for a period of 5 (five) years with effect from May 17, 2022 on the terms and conditions set out hereunder:

- i. He shall not draw any remuneration from the Company as Manager;
- ii. He shall be paid / reimbursed any expenses incurred / borne for any travel or visits undertaken for any work related to the project or Company thereof.

**RESOLVED FURTHER THAT** any one Director or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as he may in his absolute discretion consider necessary and also to file necessary e-forms with the Ministry of Corporate Affairs in this regard.”

- (4) To consider and approve remuneration payable to the Cost Auditors of the Company for the financial year 2022-23:

*To consider and, if thought fit to pass, with or without modifications, the following resolution as an Ordinary Resolution.*

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment(s) thereof, for time being in force), the remuneration payable to M/s. Chivilkar Solanki & Associates, Cost Accountants, Mumbai (Firm Registration No: 000468) as Cost Auditors to conduct the audit of cost records of the Company for Financial Year 2022-

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23, as recommended by the Audit committee and approved by the Board of Directors of the Company, amounting to Rs. 85,000/- (Rupees Eighty-Five Thousand) plus tax as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby approved.”

For and on behalf of the Board of Directors of  
**Hazaribagh Ranchi Expressway Limited**

Sd/-  
**Vijay Kini**  
**Director**  
**DIN: 06612768**

Date: 05/09/2022  
Place: Mumbai

Registered Office:  
The IL&FS Financial Centre  
Plot No.C-22, G Block, Bandra-Kurla Complex  
Bandra (East), Mumbai 400 051



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## **NOTES:**

- (1) In view of the continuing COVID-19 pandemic and considering social distancing norms to be followed, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 and Circular No. 02/2022 dated May 05, 2022 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”) and MCA Circulars, the Annual General Meeting of the Company is being held through VC / OAVM
- (2) In view of the aforementioned, the 13<sup>th</sup> AGM of the Members is being held through VC/OAVM. Members are requested to join and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is mentioned in Note No. 7.
- (3) Since, the AGM is being conducted through VC/OAVM, there is no provision for appointment of proxies. Accordingly, the facility for appointment of proxies by the members will not be available.
- (4) Corporate Members intending to authorize their representative to attend and vote at the meeting are requested to ensure that the certified true copy of the Board resolution, power of attorney or such other valid authorizations under Section 113 of the Companies Act, 2013, authorizing them to attend and vote at the meeting is provided by email at [itnl.secretarial@ilfsindia.com](mailto:itnl.secretarial@ilfsindia.com) prior to the commencement of the Meeting. In terms of the provisions of the Companies Act, 2013, the representatives of Corporate Members without proper authorization, such as Board resolution or power of attorney or such other valid authorization, may not be able to attend the meeting.
- (5) An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the details of the Director seeking re-appointment as prescribed under Secretarial Standard-2 (SS-2) issued by the Institute of Company Secretaries of India is annexed hereto.
- (6) All the documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the Members and will be made available via electronic mode prior to the date of the AGM. Members may send their request for inspection by sending an email at [itnl.secretarial@ilfsindia.com](mailto:itnl.secretarial@ilfsindia.com) for providing the documents.
- (7) The details of the process and manner for participating in Annual General Meeting through Video conferencing are explained herein below:

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- a) This Annual General Meeting shall be called through Video Conferencing mode. Members are requested to participate in the meeting as follows:
- (i) Please connect to the site by clicking on the following link: Join Zoom Meeting:  
<https://us06web.zoom.us/j/89958875319?pwd=NGhYYmEzeThHVURrK1E5V2t1T213QT09>
- (ii) Join the Meeting by inserting the details as follows:
- Meeting ID: 899 5887 5319  
Passcode: 792845
- b) Members can participate in AGM through smart phone/laptop, however, for better experience and smooth participation it is advisable to join the Meeting through Laptops connected through broadband.
- c) Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

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### **Item No. 2**

The details as prescribed under Secretarial Standard – 2 (SS-2) issued by the Institute of Company Secretaries of India are tabled below:-

Sr. No.	Particulars
Name	Mr. Mohit Bhasin
Age/DOB	08/05/1970
Qualification	B.Com., Chartered Accountant
Experience	Relevant Years
Terms and Conditions of Appointment or Re-Appointment	-
Date of First appointment on the Board	12/09/2020
Shareholding in the Company	10 Equity Shares jointly with IL&FS Transportation Networks Limited
Relationship with other Directors, Manager and KMP	None
No. of Board meetings attended during the year	6
Other Directorships	1. Jorabat Shillong Expressway Limited 2. Hazaribagh Ranchi Expressway Limited 3. MP Border Checkpost Development Company Limited 4. ITNL Road Infrastructure Development Company Limited 5. IL&FS Rail Limited 6. Rapid Metrorail Gurgaon Limited 7. Rapid Metrorail Gurgaon South Limited 8. Chenani Nashri Tunnelway Limited 9. Thiruvananthapuram Road Development Company Limited
Membership/Chairmanship of the Committees of Board held in other company	1. Hazaribagh Ranchi Expressway Limited (i) Audit Committee – Member (ii) Nomination & Remuneration Committee – Member (iii) Corporate Social Responsibility Committee – Member  2. MP Border Checkpost Development Company Limited (iv) Audit Committee – Member (ii) Nomination & Remuneration Committee – Member (v) Corporate Social Responsibility

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	<p>Committee – Member</p> <p>3. Chenani Nashri Tunnelway Limited (i) Corporate Social Responsibility Committee – Member</p> <p>4. Thiruvananthpuram Road Development Company Limited (i) Audit Committee – Member (ii) Nomination &amp; Remuneration Committee – Member</p>
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## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

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### Item No. 3

The Board of Directors of the Company at their meeting held on May 17, 2022 has appointed Mr. Amit Prakash as a Manager and KMP of the Company, as defined under Section 2(53) of the Companies Act, 2013, for a period of 5 (five) years with effect from May 17, 2022 on the terms and conditions set out hereunder:

- i. He shall not draw any remuneration from the Company as Manager and KMP;
- ii. He shall be paid / reimbursed any expenses actually incurred / borne for any travel or visits undertaken for any work related to the project or Company thereof.

In terms of Section 196(4), a Manager appointed by the Board of Directors including the terms and conditions of such appointment and the remuneration payable shall be subject to approval by the members at the General meeting of the Company.

The Board recommends the resolution for appointment of Mr. Amit Prakash as a Manager and Key Managerial Personnel (KMP) of the Company for the approval by the members of the Company.

The details as prescribed under Secretarial Standards (SS-2) issued by Institute of Company Secretaries of India are tabled below:

Particulars	Details
<b>Name</b>	Mr. Amit Prakash
<b>Age</b>	40 years
<b>Qualification</b>	Post-Graduation in Advance Construction Management
<b>PAN</b>	ARRPP0624R
<b>Terms and Conditions of Appointment</b>	(i) He shall not draw any remuneration from the Company as Manager and KMP; (ii) He shall be paid / reimbursed any expenses actually incurred / borne for any travel or visits undertaken for any work related to the project or Company thereof.
<b>Date of first appointment in the Board</b>	May 17, 2022
<b>Shareholding in the Company</b>	Nil
<b>Relationship with other Directors, Manager and KMP</b>	None

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<b>No. of Board Meetings attended during the year</b>	Not applicable
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Except Mr. Amit Prakash, none of the Directors and the Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

### **Item No. 4**

The Board of Directors on the recommendation of the Audit Committee, had approved the appointment of M/s. Chivilkar Solanki & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for Financial Year (FY) 2022-23.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor for FY 2022-23 is required to be approved by the Members of the Company. Accordingly, the members are requested to approve the remuneration payable to the Cost Auditor for the financial year ending March 31, 2023, as set out at Item No. 3 of the Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the said Resolution. The Board of Directors recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

For and on behalf of the Board of Directors of  
**Hazaribagh Ranchi Expressway Limited**

Sd/-  
**Vijay Kini**  
**Director**  
**DIN: 06612768**

Date: 05/09/2022  
Place: Mumbai

Registered Office:  
The IL&FS Financial Centre  
Plot No.C-22, G Block, Bandra-Kurla Complex  
Bandra (East), Mumbai 400 051

**Directors' Report**

To,  
The Shareholders  
**Hazaribagh Ranchi Expressway Limited**

Your Directors' have pleasure in presenting the 13<sup>th</sup> Annual Report along with the Audited Financial Statements for the year ended March 31, 2022.

**FINANCIAL RESULTS**

The financial results of the Company are as under:

(Amount in million)

<b>Particulars</b>	<b>For the Year ended March 31, 2022</b>	<b>For the Year ended March 31, 2021</b>
Total Income	857.96	1,027.17
Less: Total Expenditure	170.99	605.12
Modification Loss	-	(87.22)
Profit/(loss) before finance charges, Tax, Depreciation/Amortization (PBITDA)	686.97	334.83
Less: Finance Charges	0.24	0.24
Profit/ (loss) before Depreciation/ Amortization (PBTDA)	686.74	334.59
Less: Depreciation	-	-
Net Profit/(loss) before exceptional item and Taxation (PBT)	686.74	334.59
Exceptional Items*	-	-
Net Profit /(loss) before Tax	-	-
Provision for taxation	-	-
Profit/(Loss) after Taxation (PAT)	686.74	334.59

**DIVIDEND**

The profits reported for the year under review is on account of interest not accrued/paid on the loans availed by the Company pursuant to the moratorium granted by the National Company Law Appellate

Tribunal (NCLAT). Further, considering the business exigencies, your Directors have not recommended any dividend for the year ended March 31, 2022.

**SHARE CAPITAL**

During the year under review, your Company has not issued and allotted any equity shares. As on March 31, 2022, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

**RESERVE**

The Company has not transferred any amount to the Reserves for the financial year ended March 31, 2022.

**OPERATIONS OF THE COMPANY:**

During the year under the review, your Company continued to maintain and operate the Hazaribagh Ranchi Road project to the performance standards in accordance with the contractual requirements. During the FY 2021-22, the Company received annuity payment of Rs. 120 Crore from National Highways Authority of India.

The Company has undertaken Major Maintenance (MM) works for the entire stretch of the project with an estimated budget of approx. Rs. 53.36 Crore which is expected to be completed by December 2022. The penalties received from the annuities on account of delay in Major Maintenance work will be released on completion of the said work.

**UPDATE ON PROPOSED TRANSFER OF THE PROJECT TO INVIT**

IL&FS Group has set-up an Infrastructure Investment Trust (InvIT) under the SEBI (Infrastructure Investments Trusts) Regulations 2014 (InvIT Regulations) for resolution of debt of IL&FS Transportation Networks Limited and other IL&FS group entities.

Pursuant to the aforementioned, the following steps have been taken in this regard by the IL&FS Group:

- (i) Roadstar Infra Private Limited (“Roadstar” or “Sponsor”) has been incorporated by ITNL as its subsidiary to act as a Sponsor for the InvIT under the SEBI InvIT Regulations.



- (ii) The investment trust under the name of Roadstar Infra Investment Trust (hereinafter also referred as the “InvIT”) has been settled by the Sponsor and a Trust Deed was executed on October 6, 2020 with Axis Trustee Services Limited (the Trustee”) appointed as Trustee to the InvIT.
- (iii) Your Company is proposed for transfer to Roadstar Infra Investment Trust (“the InvIT”) subject to obtaining all the requisite approvals. The Members are requested to note that the Committee of Creditors (“CoC”) of ITNL has with the requisite majority, in accordance with the Resolution Framework, approved setting up of InvIT and transfer of certain road SPVs including the Company to InvIT. This will include transfer of entire shareholding held by ITNL in the Company and the assignment of receivables owed by various IL&FS Group entities. The transfer has also been approved by Hon’ble Justice D.K Jain (Retd) appointed by the National Company Law Appellate Tribunal for clearance of all proposals under the Resolution Framework of the IL&FS Group on March 4, 2021.

## **CHANGE IN THE NATURE OF BUSINESS**

There was no change in the nature of business during the year under review as per Sub Rule 5(ii) of Rule 8 of Companies (Accounts) Rules, 2014.

## **EXTRACT OF THE ANNUAL RETURN**

The extract of annual return as on the financial year ended March 31, 2022 in Form No. MGT- 9 is enclosed as **Annexure - A**.

## **CORPORATE GOVERNANCE**

### **(i) Board of Directors**

As on date the Board Directors of the Company comprises of following:

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Category</b>
1	Mr. Vijay Kini	Nominee Director
2	Mr. Parag Phanse	Nominee Director
3	Mr. Mohit Bhasin	Nominee Director

In exercise of the powers under Section 242(2)(4) of the Companies Act, 2013, the NCLT vide its Order dated April 26, 2019 has granted dispensation with the requirement for appointment of Independent and Woman Director pursuant to Section 149 of the Companies Act, 2013.

During the year under review, the Board of Directors met 7 times on April 06, 2021, June 17, 2021, June 29, 2021, September 04, 2021, September 24, 2021, November 09, 2021 and February 14, 2022. The details of Meetings and attendance of the Directors are provided below:

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>No. of Board Meetings held during tenure</b>	<b>Meetings attended</b>
1	Mr. Vijay Kini	7	7
2	Mr. Parag Phanse	7	7
3	Mr. Mohit Bhasin	7	6

(ii) Directors liable to retire by rotation:

Mr. Mohit Bhasin (DIN: 03249662), is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Your Directors recommend his re-appointment.

(iii) Audit Committee

At present, the Audit Committee is comprised of the following Members:

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Category</b>
1	Mr. Vijay Kini	Member
2	Mr. Parag Phanse	Member
3	Mr. Mohit Bhasin	Member

During the year under review, the Committee met 4 times on April 06, 2021, June 17, 2021, June 29, 2021, September 04, 2021, September 24, 2021, November 09, 2021 and February 14, 2022. The details of the Meetings and the attendance of Committee Members are provided below:

<b>Sr. No</b>	<b>Name of Directors</b>	<b>No. of Meetings held during tenure</b>	<b>Meetings attended</b>
1	Mr. Vijay Kini	7	7

2	Mr. Parag Phanse	7	7
3	Mr. Mohit Bhasin	7	5

The recommendations if any, made by the Audit Committee were accepted by the Board of Directors.

(iv) Nomination & Remuneration Committee:

As on date, the Nomination & Remuneration Committee comprises of the following:

<b>Sr. No.</b>	<b>Name of Members</b>	<b>Category</b>
1	Mr. Vijay Kini	Member
2	Mr. Parag Phanse	Member
3	Mr. Mohit Bhasin	Member

During the year under review, no Committee meetings were held.

(v) Corporate Social Responsibility Committee

As on date, the Corporate Social Responsibility Committee comprises of the following:

<b>Sr. No.</b>	<b>Name of Members</b>	<b>Category</b>
1	Mr. Vijay Kini	Member
2	Mr. Parag Phanse	Member
3	Mr. Mohit Bhasin	Member

During the year under review, there were no Committee Meetings held.

Pursuant to the provisions of section 135 of the Companies Act, 2013, the Company is required to spend 2% of the average net profits of the last 3 (three) financial years. For the year under review, the Company is required to spend Rs. 21,70,000/- towards CSR obligation as per the provisions of section 198 of the Companies Act, 2013.

The profit reported by the Company in its financial statements for F.Y. 2021-22 is as a result of non-accrual of interest on the borrowings and liabilities post October 2018, based on the directions given by the Hon'ble National Company Law Appellate Tribunal (NCLAT) vide its Order dated March 12, 2020.

The Company is listed in the “Amber Category” - Indian IL&FS Group Entities’ filed by the Ministry of Corporate Affairs (MCA) with the Hon’ble National Company Law Appellate Tribunal (NCLAT) and that the Company has been able to meet financial obligations only towards senior lenders and operational creditors. Thus, in terms of the group’s Payment Protocol, the Company has been permitted to only make payments which are necessary to maintain and sustain the ‘Going Concern’ status of the Company. Further, the interest has not been accrued on the borrowings and liabilities of the Company post October 15, 2018 based on the directions given by the NCLAT vide its Order dated March 12, 2020. On account of the above, the financials of the Company for the year under review have reported profit of Rs. 686.74 million for F.Y. 2021-22 and thus the CSR liability is triggered.

In view of the above, the Whole Time Directors of Infrastructure Leasing and Financial Services Limited (IL&FS), the ultimate holding company, in their meeting held on September 12, 2022, directed the management of the group companies to which CSR provisions are applicable; including the Company, to file an application to NCLT at group level for seeking waiver / exemption for not undertaking CSR obligation. Accordingly, IL&FS has initiated the process for filing exemption application with NCLT.

In view of the application proposed to be filed with NCLT as directed by the Whole Time Directors of IL&FS, the Committee has decided to not to consider the amount of Rs. 2.17 million on CSR activities/obligations for F.Y. 2021-22.

The Annual report on CSR Activities for the Financial Year ended March 31, 2022 is enclosed as **Annexure – B**.

(vi) Key Managerial Personnel

The following were the KMPs of the Company:

Mr. Vicky Masani as Chief Financial Officer (CFO)

Mr. Kiran Pal Adwal as Manager of the Company.

Ms. Priyanka Upadhyay as Company Secretary effective April 12, 2022.

During the current financial year, Mr. Amit Prakash was appointed as Manager on May 17, 2022 in place of Mr. Kiran Pal Adwal who resigned with effect from May 10, 2022 and Further,

## STATUTORY AUDITORS

M/s. K S Aiyar & Co., Chartered Accountants, Statutory Auditors were appointed as the Auditors of the Company for a period of five years to hold office from the conclusion of the Annual General

Meeting (AGM) held for the FY 2018-19 till the conclusion of the 15<sup>th</sup> AGM of the Company to be held for FY 2023-24.

Further, there have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

The Statutory Auditor's Report on financial accounts for the FY 2021-22 is self-explanatory and clarifications wherever necessary, have been included in the Notes to Financial Statements of the Annual Report

### **COST AUDITOR AND COST AUDIT REPORT**

Pursuant to Section 148 of the Companies Act 2013 and the Companies (Cost Records and Audit) Rules 2014 framed thereunder, the Board of Directors had appointed M/s. Chivalkar Solanki & Associates, Cost Accountant, as the Cost Auditor of the Company for the FY 2021-22 and has recommended his remuneration to the Members for their ratification at the ensuing Annual General Meeting..

The Board of Directors has recommended to the Members remuneration payable to M/s. Chivalkar Solanki & Associates, Cost Auditor for the F.Y 2022-23 for ratification at the ensuing AGM. M/s. Chivalkar Solanki & Associates, have confirmed his eligibility for appointment and that he is free from any disqualifications for being appointed as Cost Auditors under the provisions of the Companies Act, 2013.

The Cost Audit Report for FY 2021-22 is enclosed as per **Annexure C**.

### **SECRETARIAL AUDIT & SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. KDA & Associates, Company Secretaries in whole-time practice to carry out the Secretarial Audit of the Company for the Financial Year 2021-22. The report of the Secretarial Auditor is set out herewith as **Annexure -D** to this report.

The Management Representation on the observations/ remarks of Secretarial Auditor pertaining to year ended March 31, 2022 are as under:

<b>Sr. No.</b>	<b>Basis of observations in Audit Report</b>	<b>Responses to observations</b>
1.	The Company has appointed Company secretary as required pursuant to the provisions of Section 203 of the Act w.e.f 12 <sup>th</sup> April, 2022 i.e. after the closure of the financial year accordingly the Financial Statements for the Financial Year ended 31 <sup>st</sup> March, 2021 is not signed as per the provisions of Section 134 of the Companies Act, 2013.	<p>Due to the unforeseen situation within the IL&amp;FS Group pursuant to the fall out of the management takeover and appointment of New Board of Directors by the Union of India and uncertainty arising there from, there was a huge attrition and resignations by the employees including KMPs. This has also resulted in difficulties in recruitment of certain KMPs namely CS by the Company.</p> <p>Consequent thereto the financial statements could not be signed by the Company Secretary.</p>
2.	The Board of Directors of the Company has formulated the Corporate Social Responsibility Policy (CSR Policy) and have approved the amount of expenditure to be incurred on the activities to be undertaken by the Company as per the provisions of the Act and CSR Policy in its meeting held on 17 <sup>th</sup> May, 2022 i.e. after the closure of the financial year.	Necessary actions have been taken and complied with the same during the current financial year.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

During the year under review, the Company has not made any investments nor given any loans / guarantees /provided security in connection with a loan granted to any person or body corporate in terms of Section 186 of the Companies Act, 2013.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

Except as disclosed elsewhere in this report, there have been no material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and date of this report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Since, the Company does not have any manufacturing facility, the particulars required to be provided in terms of the disclosures required under Section 134 (3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are not applicable to the Company. There was no earning or outgo of foreign exchange during the year under review.

**RELATED PARTY TRANSACTIONS**

During the year under review, all related party transactions entered into were in ordinary course of business and at arm's length basis only, in compliance with the applicable provisions of the Companies Act, 2013. The details of the transactions consummated during the year are reviewed and approved by the Audit Committee & Board of Directors annually. There are no materially significant transactions entered into with any of the related parties of the Company during the year under review.

Accordingly, there are no contracts or arrangements with related parties to be disclosed in Form AOC-2 pursuant to Clause (h) of Sub section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.

**PERFORMANCE EVALUATION:**

Due to the unforeseen situation within the IL&FS Group, the Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated April 26, 2019 has granted dispensation with the requirement of appointment of Independent and Women Directors pursuant to Section 149 of the Companies Act, 2013. In view thereof, the Company has not appointed Independent and Woman Director. Consequently, the Infrastructure Leasing & Financial Services Limited, the ultimate holding Company in its Board Meeting held on October 01, 2020 has deliberated on the applicability and relevance of Board Evaluation and had decided to file an application with NCLT seeking an

exemption/clarification for formal annual evaluation by the Board of its own performance and that of its committees and individual directors by explaining the rationale for non-applicability of Board Evaluation to IL&FS group companies, after taking the same through Ministry of Corporate Affairs, Government of India. In view of the aforesaid, the performance evaluation process is not proposed for the period under review.

**DECLARATION BY INDEPENDENT DIRECTOR(S):**

In the matter of Infrastructure Leasing and Financial Services Limited (IL&FS) MA 1054/2019 in the Company Petition No. 3638/2018, the Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated April 26, 2019 has granted dispensation regarding the appointment of Independent and Woman Directors pursuant to Section 149 of the Companies Act, 2013. In view thereof, the Company has not appointed Independent and Woman Directors.

**OTHER DISCLOSURES REQUIRED UNDER COMPANIES ACT, 2013****REDEMPTION OF NON-CONVERTIBLE DEBENTURES:**

During the year under review, the Company has neither issued nor redeemed the existing debentures issued by the Company.

The order passed by the National Company Law Appellate Tribunal ("NCLAT") on October 15, 2018 ("Moratorium Order") inter alia prohibits payment of principal and interest during the moratorium period and restricts actions or proceedings by creditors against IL&FS and its group companies including the Company. Further, NCLAT has vide order on dated February 11, 2019 categorised the Company as 'Amber entity' as a result of which the Company is required to incur cost / expenses only to maintain the status of going concern.

The Company had issued 71,500 Secured, Listed, Redeemable, Non-Convertible Debentures of Face Value of ₹ 1,00,000/- each (the "Debentures") aggregating to Rs. 715 Crore on a Private Placement basis on February 14, 2017. As on March 31, 2022, a sum of Rs. 601 Crore is outstanding.

**INTERNAL CONTROL SYSTEM:**

The Company has an Internal Control Framework (ICF) in place which comprises of the Standard Operating Procedures for each function and a Risk Control Matrix which identifies the key risks and the Controls implemented to mitigate such risks. The maker checker controls as per the Framework facilitates audit at both the Corporate & Project Levels.



The internal audit is carried out by a firm of Chartered Accountants who report directly to the Audit Committee / Board of Directors. The Corporate Audit function plays a key role in providing both the operating management and the Board with an objective view and reassurance of the overall control systems.

The Internal Auditors perform a quarterly/ annual review in line with the Audit Committee / Board of Directors approved Internal Audit Plan which is modified from time to time to meet requirements arising from changes in law as well as out of the improved controls resulting from the implementation of the ICF. The Internal Auditors accordingly in their IA report certify that the internal controls including the Internal Financial Controls are adequate and commensurate with the size and nature of operations, systems and processes laid down by the management are generally adequate and operating effectively and the procedures for reporting significant / material breaches of control to the Management are in place.

#### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

During the year under review, the Company has not incorporated/ formed any Subsidiary, Joint Venture, Associate Company or LLPs.

#### **VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

In accordance with the provisions of Section 177 (10) of the Companies Act, 2013, the Company has established a vigil mechanism by adopting a Whistle Blower Policy for the directors and employees to report genuine concerns or grievances. The administration of the vigil mechanism is ensured through the Audit Committee.

#### **DEPOSITS**

During the financial year under consideration, your Company has not accepted any public deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

#### **POLICY FOR PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

The Company has provided a safe and dignified work environment for its employees which is free of discrimination, intimidation and abuse. The Company has adopted a Policy for Prevention of Sexual Harassment of Women at Workplace pursuant to Section 22 of the Sexual Harassment of Women at

Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 The objective of this policy is to provide protection against sexual harassment of women at workplace and for redressal of complaints of any such harassment. The Internal Complaints Committee to redress the complaints received under the Act is in place.

No complaints have been received during the year under review.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

As stipulated under clause (c) of sub-section (3) of Section 134 read with sub-section (5) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

The National Company Law Tribunal (NCLT) passed an Order on October 1, 2018 under the provisions of Sections 241 and 242 of the Companies Act, 2013 for suspending the existing Board of

Directors of Infrastructure Leasing and Financial Services Limited (IL&FS), the Holding Company and new members were inducted on the Board of IL&FS

The NCLT based on a petition by IL&FS vide its Order dated April 26, 2019, granted its exemption to IL&FS and its group Companies from appointing Independent Directors and Woman Directors on the Board of IL&FS and its group companies

The NCLT by an Order passed on February 11, 2019 has categorized '169 IL&FS Group Entities' incorporated within the territorial jurisdiction of India into (a) "Green Entities" (b) "Amber Entities" (c) "Red Entities". Your Company has been categorised as Amber entity - meaning one which are not able to meet all their obligations (financial and operational), but can meet only operational payment obligations and payment obligations to senior secured financial creditors.

The summary of other significant and material orders passed by the Regulators or courts or tribunals impacting the going concern status and the Company's operations in future is enclosed as **Annexure -E** to this report.

### **PARTICULARS OF EMPLOYEES**

During the year under review, there were no such employees of the Company in respect of whom the information is required to be disclosed pursuant to Section 197 of the Companies Act 2013 read with Rule 5(2)&(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **RISK MANAGEMENT**

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. There are no risks which in the opinion of the Board affect the Company operations on going concern basis.

### **ACKNOWLEDGEMENTS:**

The Directors place on record their appreciation for the support and co-operation received from National Highway Authority of India and Shareholders of the Company.

For and on behalf of Board of Director of  
Hazaribagh Ranchi Expressway Limited

Sd/-

Sd/-

Date:  
Place: Mumbai

Vijay Kini  
Director  
Din: 06612768

Parag Phanse  
Director  
Din: 08388809

**Annexure A**

**FORM NO. MGT- 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2022**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

1.	CIN	U45203MH2009PLC191070
2.	Registration Date	19/03/2009
3.	Name of the Company	Hazaribagh Ranchi Expressway Limited
4.	Category/Sub-category of the Company	Company Limited by Shares
5.	Address of the Registered office & contact details	The IL&FS Financial Centre, Plot C 22, G Block, Bandra Kurla Complex, Mumbai-400051, Contact No. 022-26533333, Email ID: itnl.secretarial@ilfsindia.com,
6.	Whether listed company	The Company is having its Non-Convertible Debentures listed on the National Stock Exchange
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link InTime India Pvt Limited,

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Business activities contributing 10 % or more of the total turnover of the company are:-

Sl. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company

1	Construction and maintenance of Motorways, roads, other vehicular and pedestrian ways, highways, bridges, tunnels and subways	42101	100 %
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### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the company`	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1	IL&FS Transportation Networks Limited  Address: The IL&FS Financial Centre, Plot C 22, G Block, Bandra Kurla Complex, Mumbai-400051	L45203MH2000PLC129790	Holding	100	2 (46)

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual / HUF	--	--	--	--	--	--	--	--	--
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	13,09,86,840	60	13,09,86,900	99.99%	13,09,86,900	--	13,09,86,900	99.99%	--

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[illegible]

b) Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	--	--	--	--	--	--	--	--	--
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	--	--	--	--	--	--	--	--	--
c) Others (specify)	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(2):</b>	--	<b>13,100</b>	<b>13,100</b>	<b>0.01%</b>	-	<b>13,100</b>	<b>13,100</b>	<b>0.01%</b>	--
Total Public Shareholding (B)=(B)(1)+(B)(2)	--	<b>13,100</b>	<b>13,100</b>	<b>0.01%</b>	-	<b>13,100</b>	<b>13,100</b>	<b>0.01%</b>	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	<b>13,09,86,840</b>	<b>13,160</b>	<b>13,10,00,000</b>	<b>100%</b>	<b>13,09,86,900</b>	<b>13,100</b>	<b>13,10,00,000</b>	<b>100%</b>	--

**ii) Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year	Shareholding at the end of the year	
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## HREL

		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
<b>1</b>	IL&FS Transportation Networks Limited	13,09,86,900	99.99%	-	13,09,86,900	99.99%	-	Nil
<b>Total</b>		<b>13,09,86,900</b>	<b>99.99%</b>	<b>-</b>	<b>13,09,86,900</b>	<b>99.99%</b>	<b>-</b>	<b>Nil</b>

### iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-

### iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): None

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

1.	Punj Lloyd Limited				
	At the beginning of the year	13,100	0.01%	13,100	0.01%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year( or on the date of separation, if separated during the year)	13,100	0.01%	13,100	0.01%

**v) Shareholding of Directors:**

Sr. No.	Name of the Director/KMP	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Mr. Vijay Kini Director (joint holding with IL&amp;FS Transportation Networks Limited)</b>	At the beginning of the year	10	-	10	-
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
		At the end of the year	10	-	10	-

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payments**

**(Amount in million)**

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	6,045.87	1,921.07	-	7,966.94
ii) Interest due but not paid	-	267.64	-	267.64
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>6,045.87</b>	<b>2,188.71</b>	<b>-</b>	<b>8,234.58</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	6,045.87	1,921.07	-	7,966.94
ii) Interest due but not paid	-	267.64	-	267.64
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>6,045.87</b>	<b>2,188.71</b>	<b>-</b>	<b>8,234.58</b>

## **VI. REMUNERATION OF DIRECTORS**

### **A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Amount in million)

<b>Sr. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of MD/WTD/ Manager</b>				<b>Total Amount</b>
-	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-

	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-
5	Others, please specify					
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013				

**B. REMUNERATION TO OTHER DIRECTORS (Amount in Rupees)**

S r.	Particulars of Remuneration	Name of Directors			Total
1	<b>Independent Directors</b>	-			-
	Fee for attending board committee meetings	-			-
	Commission	-			-
	Others, please specify	-			-
	<b>Total (1)</b>	-			-
2	<b>Other Non-Executive Directors</b>	<b>Mr. Vijay Kini</b>	<b>Mr. Parag Phanse</b>	<b>Mr. Mohit Bhasin</b>	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-

	<b>Total (2)</b>	-	-	-	-
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## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amount in million)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	Nil	Nil	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	others, specify...	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

**VII. Penalties / punishment/ compounding of offences:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	Nil	N.A.	0	N.A.	N.A.
Punishment	Nil	N.A.	0	N.A.	N.A.
Compounding	Nil	N.A.	0	N.A.	N.A.
<b>C. Other officers in default</b>					
Penalty	Nil	N.A.	0	N.A.	N.A.
Punishment	Nil	N.A.	0	N.A.	N.A.
Compounding	Nil	N.A.	0	N.A.	N.A.

For and on behalf of Board of Director of  
Hazaribagh Ranchi Expressway Limited

Sd/-

Sd/-

Date: 05/09/2022

Place: Mumbai

Vijay Kini

Director

Din: 06612768

Parag Phanse

Director

Din: 08388809

## Annexure - B

### Annual Report on CSR Activities for the Financial Year ended March 31, 2022

1. Brief outline on CSR Policy of the Company:

The Corporate Social Responsibility ('CSR') Policy of Hazaribagh Ranchi Expressway Limited (hereby referred to as '**The Company**') has been developed in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 (hereby collectively referred to as the '**Act**') notified by the Ministry of Corporate Affairs, Government of India.

The CSR Vision of the Company is "to contribute to the social and economic development of the weaker sections of society and involve ourselves in activities which will build better and sustainable way of life, giving scope for human development."

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Vijay Kini	Nominee Director	0	0
2.	Mr. Parag Phanse	Nominee Director	0	0
3.	Mr. Mohit Bhasin	Nominee Director	0	0

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company. – **The same has been disclosed on website of the Company. The URL for the same is <https://www.itnlindia.com/HREL-SPV.aspx>.**
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable. – **Not Applicable.**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable.**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	-	-	-
2	-	-	-
3	-	-	-
	<b>Total</b>	-	-

6. Average net profit / (loss) of the company as per section 135(5).

Sl. No.	Financial Year	Net Profit u/s 198
1	2018-19	(62,72,52,157.99)
2	2019-20	66,98,16,345.56
3	2020-21	28,30,86,141.72
	<b>Total</b>	<b>32,56,50,329.29</b>

Average Net Profit/ (loss) of previous three years of the Company: Rs. 10,85,50,109.76/-

7. (a) Two percent of average net profit / (loss) of the company as per section 135(5): Rs. 21,71,002.20/-  
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - **NIL**  
(c) Amount required to be set off for the financial year, if any: **NIL**  
(d) Total CSR obligation for the financial year (7a+7b-7c): **Rs. 21,71,002.20/-**
8. (a) CSR amount spent or unspent for the financial year: **Not Spend**

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.



NIL	NIL	NA	NA	NIL	NA
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(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable.**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	-	-	-	-	-	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	-	-	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **NIL**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **NIL**

(g) Excess amount for set off, if any: **Not Applicable**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	NIL
(ii)	Total amount spent for the Financial Year	NIL
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
-----	-----	-----	-----	-----	-----	-----	-----	-----

Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1	-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details): Not Applicable**

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

The profit reported by the Company in its financial statements for F.Y. 2021-22 is as a result of non-accrual of interest on the borrowings and liabilities post October 2018, based on the directions given by the Hon'ble National Company Law Appellate Tribunal (NCLAT) vide its Order dated March 12, 2020.

The Company is listed in the "Amber Category" - Indian IL&FS Group Entities' filed by the Ministry of Corporate Affairs (MCA) with the Hon'ble National Company Law Appellate Tribunal (NCLAT) and that the Company has been able to meet financial obligations only towards senior lenders and operational creditors. Thus, in terms of the group's Payment Protocol, the Company has been permitted to only make payments which are necessary to maintain and sustain the 'Going Concern' status of the Company. Further, the interest has not been accrued on the borrowings and liabilities of the Company post October 15, 2018 based on the directions given by the NCLAT vide its Order dated March 12, 2020. On account of the above, the financials of the Company for the year under review have reported profit of Rs. 686.74 million for F.Y. 2021-22 and thus the CSR liability is triggered.

In view of the above, the Whole Time Directors of Infrastructure Leasing and Financial Services Limited (IL&FS), the ultimate holding company, in their meeting held on September 12, 2022, directed the management of the group companies to which CSR provisions are applicable; including the Company, to file an application to NCLT at group level for seeking waiver / exemption for not undertaking CSR obligation. Accordingly, IL&FS has initiated the process for filing exemption application with NCLT.

In view of the application proposed to be filed with NCLT as directed by the Whole Time Directors of IL&FS, the Committee has decided to not to consider the amount of Rs. 2.17 million on CSR activities/obligations for F.Y. 2021-22.

Sd/-  Parag Phanse (Director)	Sd/-  Vijay Kini (Director)
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# HAZARIBAGH RANCHI EXPRESSWAY LIMITED

Cost Audit Report

Financial year : 2021-2022

**Chivilkar Solanki & Associates**

*Cost Accountants*

603, Nandpark, Yashodhan Nagar,  
Lokmanya Nagar, Pada No. 2, Thane (West).  
Thane - 400606.

FORM CRA-3  
COST AUDIT REPORT

[Pursuant to rule 6(4) of the Companies (cost records and audit) Rules, 2014]

We CHIVILKAR SOLANKI & ASSOCIATES, Cost Accountant having been appointed as Cost Auditor under Section 148(3) of the Companies Act, 2013 (18 of 2013) of HAZARIBAGH RANCHI EXPRESSWAY LIMITED. having its registered office at The IL&FS Financial Center, Plot No. C 22, "G" Block, Bandra Kurla Complex, Bandra "East", Mumbai - 400051, India. (hereinafter referred to as the company), have audited the Cost Records maintained under section 148 of the said Act, in compliance with the Cost Auditing Standards, in respect of the Roads and other infrastructure projects for the year ended 31st March, 2022 maintained by the company and report, in addition to my observations and suggestions in para 2.

- 1 (i) We have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of this audit.
- (ii) In our opinion, proper cost records, as per Rule 5 of the Companies (Cost Records and Audit) Rules, 2014 have been maintained by the company in respect of services under reference.
- (iii) In our opinion, proper returns adequate for the purpose of the Cost Audit have been received from the branches not visited by us.
- (iv) In our opinion and to the best of my information, the said books and records give the information required by the Companies Act, 2013, in the manner so required.
- (v) In our opinion, company has adequate system of internal audit of cost records which to my opinion is commensurate to its nature and size of its business.
- (vi) In our opinion, information, statements in the annexure to this cost audit report gives a true and fair view of cost of rendering of services, cost of sales, margin and other information relating to services under reference.
- (vii) Detailed unit-wise and service-wise cost statements and schedules thereto in respect of the service under reference of the company duly audited and certified by us are kept in the company.
- 2 Observations and suggestions, if any, of the Cost Auditor, relevant to the cost audit. : No

CHIVILKAR SOLANKI & ASSOCIATES  
Cost Accountants  
Firm Reg. No. 000468

VIJAYKUMAR SOLANKI  
Partner  
Membership No. 29520  
Place Thane  
Date \_\_/\_\_/2022  
UDIN 2229520

**ANNEXURE TO THE COST AUDIT REPORT  
PART - A**

**1. GENERAL INFORMATION:**

1 CIN or GLN of the company:	U45203MH2009PLC191070
2 Name of the company:	<b>HAZARIBAGH RANCHI EXPRESSWAY LIMITED</b>
3 Registered office address:	THE IL & FS FINANCIAL CENTER, PLOT NO C 22 "G" BLOCK, BANDRA KURLA COMPLEX, BANDRA "EAST", MUMBAI- 400051 MAHARASHTRA, INDIA
4 Corporate office address:	THE IL & FS FINANCIAL CENTER, PLOT NO C 22 "G" BLOCK, BANDRA KURLA COMPLEX, BANDRA "EAST", MUMBAI- 400051 MAHARASHTRA, INDIA
5 E-mail address of the company:	<a href="mailto:itnl.secretarial@ilfsindia.com">itnl.secretarial@ilfsindia.com</a>
6 Date of beginning of reporting financial year:	1st April, 2021
7 Date of end of reporting financial year:	31st March, 2022
8 Date of beginning of previous financial year:	1st April, 2020
9 Date of end of previous financial year:	31st March, 2021
10 Level of rounding used in cost statement:	Millions
11 Whether Indian Accounting Standards are applicale to the company	YES
12 Reporting currency of entity:	INR
13 Number of Cost auditors for reporting period:	1
14 Date of Board of Directors meeting in which annexure to cost audit report was approved:	__ - __ -2022
15 Whether Cost auditors report has been qualified or has any reservations or contains adverse remarks:	No
16 Consolidated qualifications, reservations or adverse remarks of all cost auditors:	No
17 Consolidated observations or suggestions of all cost auditors:	No
18 Whether company has related party transactions for sale or purchase of goods or services:	Yes

## 2. GENERAL DETAILS OF COST AUDITOR:

1	Whether cost auditor is lead auditor:	Yes
s	Category of cost auditor:	Partnership Firm
3	Firm's registration number:	000468
4	Name of cost auditor/cost auditor's firm:	CHIVILKAR SOLANKI & ASSOCIATES
5	PAN of cost auditor/cost auditor's firm:	AAIFC9689H
6	Address of cost auditor or cost auditor's firm:	603, Nandpark, Yashodhan Nagar, Lokmanya Nagar, Pada No. 2, Thane (West), Thane- 400606, Maharashtra.
7	Email id of cost auditor or cost auditor's firm:	<a href="mailto:cmavijay.solanki@gmail.com">cmavijay.solanki@gmail.com</a>
8	Membership number of member signing report:	29520
9	Name of member signing report:	VIJAYKUMAR C. SOLANKI
10	Name (s) of product (s) or service (s) with CETA heading:	Roads and Other Infrastructure Projects CETA Heading: Not Applicable
11	SRN number of Form 23C / CRA 2:	T16638256
12(a)	Number of audit committee meeting (s) during the year for which Cost Auditor was invited.	1
12(b)	Number of audit committee meeting attended by cost auditor during period:	1
13	Date of signing cost audit report and annexure by cost auditor:	_____-2022
14	Place of signing cost audit report and annexure by cost auditor:	THANE



**3. Cost Accounting Policy :**

1) The Company is in the business of Construction of Roads and other Infrastructure projects and contracted project on Build, Operate and Transfer (BOT) basis. The Books of Accounts and other records have been designed to facilitate compliance of the relevant provisions of the Companies Act, 2013. Financial and Cost Accounting are integrated. Cost Accounts are designed to adopt Costing records appropriate to the business carried out by the company & it is compliant as per Cost Accounting Standards issued by the Institute of Cost Accountants of India & Generally Accepted Cost Accounting Principles adopted in India.

**a) Identification of Cost Centres/ Cost Objects and Cost Drivers :**

The Company's Project has been defined under Single profit centre & the various Expenses incurred are directly accumulated & classified under : Direct Expenses and charged to the Cost Centres.

**b) Accounting for Materials cost :**

There is no material cost incurred as the Operation is outsourced during the period under review.

**c) Allocation and Absorption of Overheads :**

The Overheads are properly allocated & classified into Direct Expenses, Administrative Overheads, Selling & Distribution Overheads and Finance Costs.

**d) Depreciation and Amortization :**

The Company has adopted the useful life prescribed under the Schedule II of the Companies Act 2013. The Company has decided to change the policy retrospectively for charging depreciation with effect from April 1, 2014 on the basis of Straight Line Method in place of Written Down Method other than those specified otherwise.

**e) By-Products, Joint Products, scraps, wastage etc. :**

As nature of the company is other than production, process, there is no By-products, Joint Products, Wastages. The Scrap income if any is treated as the Other operating income of the company.

**f) Inventory Valuation :**

The Company does not maintain any inventories as in Service sector.

**g) Valuation of Inter-unit/Inter Company and Related party transactions :**

The Related party transactions are in ordinary Course of Business and are on Arm's Length Pricing basis as per policy of the company.

**h) Abnormal and non-recurring Cost including non-cost items :**

The non-recurring, abnormal and non cost items have been excluded from costing Profit & loss statement and have been treated in the profit reconciliation statement.

**i) Other Relevant Cost accounting Policy:**

Nothing in particular.

**2.Changes in Cost Accounting Policy:**

No change in Cost Accounting Policy during the period under review and the company follow the Cost Policy consistently.

**3.Budgetary Control System:**

The Company has adequate Budgetary Control and Variance Analysis System commensurate with the size of the Company.

## 4. PRODUCT/SERVICE(S) DETAILS (For the company as a whole):

Name of Product/Service	UOM	CETA heading (wherever applicable)	Whether Covered under Cost Audit (Yes/No)	Net Operational Revenue (net of taxes, duties etc.)	
				Current Year (Rs. in Million)	Previous Year (Rs.in Million)
1) Roads and Other Infrastructure Projects	NA	NA	Yes	735.76	941.35
<b>Total Net Operational revenue</b>				<b>735.76</b>	<b>941.35</b>
Other Operative Incomes of company					
<b>Total Operative Income of company</b>				<b>735.76</b>	<b>941.35</b>
Other Incomes of company				122.19	85.82
<b>Total revenue as per financial accounts</b>				<b>857.96</b>	<b>1,027.17</b>
Exceptional and Extra Ordinary income, if any				-	-
Other Comprehensive Income, if any				-	-
<b>Total revenue including Exceptional, Extra Ordinary and Other Comprehensive Income, if any</b>				<b>857.96</b>	<b>1,027.17</b>
<b>Turnover as per Excise/Service Tax/GST Records</b>				<b>1,335.37</b>	<b>15.77</b>

## Note:

1) NA Stands for "Not Applicable".

2)

**PART-C**  
**For Service Sector**

**1. QUANTITATIVE INFORMATION (For each service separately):**

Name of the Service	Construction of Roads and Other Infrastructure Projects		
Service Code (if applicable)			
Particulars	UOM	Current Year	Previous Year
<b>1. Available Capacity</b>	NA	NA	NA
(a) Installed Capacity			
(b) Capacity enhanced during the year, if any			
(c) Total available capacity			
<b>2. Actual Services rendered</b>	NA	NA	NA
(a) Own Services			
(b) Services under contractual arrangements			
(c) Outsourced Services			
(d) Total Services			
<b>3. Total services provided as per Service Tax records</b>	NA	NA	NA
<b>4. Capacity utilization (in-house)</b>	NA	NA	NA
<b>5. Actual Sales</b>	NA	NA	NA
(a) Services rendered - Domestic			
(b) Services rendered - Export			
(c) Total Services Rendered			

Notes :

- 1) Quantitative Information is not applicable as the company is service industry.
- 2) NA Stands for "Not Applicable".

## 2. ABRIDGED COST STATEMENT (for each service separately)

Name of the Service			Construction of Roads and Other Infrastructure Projects		
Service Code if Applicable			0		
Unit of Measure			NA		
		Services Provided	Captive Consumption	Other Adjustments	Services rendered
	Current Year	NA	NA	NA	NA
	Previous Year	NA	NA	NA	NA
Sr. No.	Particulars	Current Year		Previous Year	
		Amount (Rs.)	Rate per Unit (Rs.)	Amount (Rs.)	Rate per Unit (Rs.)
1	Materials Consumed(specify details as per Para 2A)	-	-	0	-
2	Utilities(specify details as per Para 2B)	-	-	0	-
3	Direct Employees Cost	-	-	0	-
4	Direct Expenses	60.42	NA	78.78	NA
5	Consumable Stores and Spares	-	-	0	-
6	Repairs and Maintenance	-	-	0.69	-
7	Quality Control Expenses	-	-	0	-
8	Research and Development Expenses	-	-	0	-
9	Technical know-how Fee / Royalty	-	-	0	-
10	Depreciation/ Amortization	698.14	NA	-	NA
11	Other Production Overheads	14.90	NA	225.98	NA
12	Industry Specific Operating Expenses(specify details as per Para 2C)	-	NA	-	NA
13	Total(1 to 12)	773.46	NA	305.45	NA
14	Less: Credits for Recoveries, if any	-	-	-	-
15	Cost of Services provided (13 - 14)	773.46	NA	305.45	NA
16	Cost of Outsourced/Contractual Services	-	-	-	-
17	Total Services available	773.46	NA	305.45	NA
18	Less: Self/ Captive Consumption	-	-	-	-
19	Other Adjustments (if any)	-	-	-	-
20	Cost of Services Sold (17 - 18 + 19)	773.46	NA	305.45	NA
21	Administrative Overheads	11.03	NA	9.08	NA
22	Selling and Distribution Overheads	0.23	NA	0.07	NA
23	Cost of Sales before Interest (20+21+22)	784.72	NA	314.60	NA
24	Interest and Financing Charges	0.42	NA	0.60	NA
25	Cost of Sales (23 + 24)	785.14	NA	315.20	NA
26	Net Sales Realization (Net of Taxes and Duties)	1,281.60	NA	1,297.35	NA
27	Margin [Profit/(Loss) as per Cost Accounts] (26 - 25)	496.46	NA	982.15	NA

Note :

1) NA Stands for "Not Applicable".

## 2A. Details of Materials Consumed

Name of Service			Construction of Roads and Other Infrastructure Projects.					
Service Code (if applicable)			0					
Description of Material	Category	UOM	Current Year			Previous Year		
			Quantity	Rate per Unit (Rs.)	Amount (Rs.)	Quantity	Rate per Unit (Rs.)	Amount (Rs.)
1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2								
3								
4								
5								
6								
7								
8								
9								
10								

Category: Indigenous/ Imported/ Self Manufactured

Note :

1) NA Stands for "Not Applicable".

## 2B. Details of Utilities Consumed

Name of Service		Construction of Roads and Other Infrastructure Projects.					
Service Code (if applicable)		0					
Description of Material	UOM	Current Year			Previous Year		
		Quantity	Rate per Unit (Rs.)	Amount (Rs.)	Quantity	Rate per Unit (Rs.)	Amount (Rs.)
1	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2							
3							
4							
5							
6							
7							
8							
9							
10							

**Note :**

1) NA Stands for "Not Applicable".

## 2C. Details of Industry Specific Operating Expenses

	Name of Service	Construction of Roads and Other Infrastructure Projects.	
	Service Code (if applicable)	0	
Sr. No.	Description of Industry Specific Operating Expenses	Current Year	Previous Year
		Amount (Rs.)	Amount (Rs.)
1	Concession Fees	-	-

## PART-D

## 1. PRODUCT AND SERVICE PROFITABILITY STATEMENT (for audited products/services)

Sr. No.	Particulars	Current Year			Previous Year		
		Sales (Rs.)	Cost of Sales (Rs.)	Margin (Rs.)	Sales (Rs.)	Cost of Sales (Rs.)	Margin (Rs.)
1	Service	1,281.60	785.14	496.46	1,297.35	315.20	982.15
	Total	1,281.60	785.14	496.46	1,297.35	315.20	982.15



## PROFIT RECONCILIATION (for the company as a whole)

Sr. No.	Particulars	Current year (Rs.)	Previous year (Rs.)
1	<b>Profit or Loss as per Cost accounting records</b>	<b>496.46</b>	<b>982.15</b>
(a)	For the audited product(s)/service(s)	496.46	982.15
(b)	For the un-audited product(s)/service(s)	-	-
2	<b>Add : Incomes not considered in cost accounts (specify details)</b>	<b>-423.64</b>	<b>-270.19</b>
(a)	Int. income -others	-	4.45
(b)	Miscellaneous income	-	-
(c)	Int. on ST deposit	53.77	29.85
(d)	Profit on sale MF	-	-
(e)	Sale of Scrap	-	-
(f)	Difference due to IND AS	-477.41	-304.49
3	<b>Less : Expenses not considered in cost accounts (specify details)</b>	<b>-613.91</b>	<b>377.37</b>
(a)	CSR expenses	2.17	-
(b)	Expenses towards dam	9.12	-
(c)	Int delayed stat due	-	0.24
(d)	Modification Loss on financial assets	-	87.22
(e)	Difference due to IND AS	-625.20	289.91
4	<b>Difference in Valuation of stock between financial accounts and cost accounts</b>	<b>-0.01</b>	<b>-</b>
5	<b>Other adjustments, Rounding off</b>	<b>-</b>	<b>-</b>
6	<b>Profit or Loss as per Financial Accounts</b>	<b>686.74</b>	<b>334.59</b>

## 3. VALUE ADDITION &amp; DISTRIBUTION OF EARNINGS (for the Company as a whole)

Sl. No.	Particulars	Current year (Rs.)	Previous year (Rs.)
	<b>Value Addition:</b>		
1	Revenue from Operations	735.76	941.35
2	Less: Taxes and Other Duties, etc.	-	-
3	Net Revenue from Operations	735.76	941.35
4	Add: Export Incentives	-	-
5	Add/Less: Adjustment in Finished Stock	-	-
6	Less : Cost of bought out inputs		
	(a) Cost of Materials Consumed	-	-
	(b) Process Outsourced expenses	-	-
	(c) Consumption of Stores and Spares	-	-
	(d) Utilities (e.g. Power and Fuel)	-	-
	(e)Others, if any	140.23	217.87
	Total Cost of bought out inputs	140.23	217.87
7	<b>Value Added</b>	<b>595.53</b>	<b>723.48</b>
8	Add: Income from any other sources	122.19	85.82
9(i)	Add: Exceptional & Extra Ordinary Income	-	-
9(ii)	Add: Comprehensive Income	-	-
10	<b>Earnings available for distribution</b>	<b>717.73</b>	<b>809.30</b>
	<b>Distribution of Earnings to:</b>		
1	Employees as salaries and wages, retirement benefits, etc.	2.11	2.51
2	Shareholders as dividend		
3	Company as retained funds	686.74	334.59
4	Government as taxes	-	-
5	Exceptional and Extra Ordinary Expenses	-	-
6	Others if any	28.88	394.48
7	<b>Total distribution of earnings</b>	<b>717.73</b>	<b>731.58</b>

Note Previous Year Figures have been re-grouped and re-arranged wherever considered necessary.

## Annexure

Particulars	Current year (Rs.)	Previous year (Rs.)
<b>Process Outsourced expenses</b>		
Direct Expenses	60.42	78.78
<b>Total (Net)</b>	<b>60.42</b>	<b>78.78</b>

<b>Others, if any</b>		
Other Production Overheads	14.90	225.98
Repairs & Maint	-	0.69
Administrative Overheads	11.03	9.08
Selling and distribution overheads	0.23	0.07
<b>Total</b>	<b>26.16</b>	<b>235.82</b>
Less : Profession tax	0.02	0.02
Less : Directors' fees	-	-
<b>Total (Net)</b>	<b>26.14</b>	<b>235.80</b>
<b>Income from Others sources</b>		
Int. income -others	-	4.45
Int. on ST deposit	53.77	29.85
Profit on sale MF	-	-
Sale of Scrap	-	0.01
IndAs Difference	-477.41	-304.49
<b>Total</b>	<b>-423.64</b>	<b>-270.18</b>
<b>Managerial Remuneration</b>		
Directors' fees	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

<b>Finance cost</b>		
Int on Loan-fixed period	-	-
Finance charges	0.24	0.24
Bank commission/char	0.18	0.36
<b>Total</b>	<b>0.42</b>	<b>0.60</b>

<b>Government Tax</b>		
Profession Tax	0.02	0.02
<b>Total</b>	<b>0.02</b>	<b>0.02</b>
<b>Depreciation/ Amortization</b>		
Depreciation and amortization expense	698.14	-
<b>Total</b>	<b>698.14</b>	<b>-</b>
<b>Other Distribution</b>		
Interest on Debenture	-	-
Expenses towards dam	9.12	-
CSR expenses	2.17	-
Int delayed stat due	-	0.24
Modification Loss on financial assets	-	87.22
Provision for doubtful debts and receivabl	-	-

## HAZARIBAGH RANCHI EXPRESSWAY LIMITED

Security Trustee Fee	-	-
IndAs	-625.43	289.91
<b>Total</b>	<b>-614.14</b>	<b>377.37</b>

**Other Distribution (for the Company as a whole)**

Finance costs (net)	0.24	0.24
Modification Loss on financial assets	-	87.22
Other expenses	28.65	307.02
Impairment loss on financial Assets	-	-
<b>Total</b>	<b>28.88</b>	<b>394.48</b>

**Company as retained funds**

Profit before share of profit/ (loss)	686.74	334.59
Depreciation and amortisation expense	-	-
<b>Total</b>	<b>686.74</b>	<b>334.59</b>

## 4. FINANCIAL POSITION AND RATIO ANALYSIS (for the company as a whole)

Sr. No.	Particulars	Units	Current year (Rs.)	Previous year (Rs.)
<b>A.</b>	<b>Financial Position</b>			
1	Share Capital		1,310.00	1,310.00
2	Reserves and Surplus		-1,199.91	-1,199.91
3	Long Term Borrowings		4,882.60	4,882.60
4	(a) Gross Fixed Assets		-	-
	(b) Net Fixed Assets		-	-
5	(a) Current Assets		3,925.32	3,925.32
	(b) Less: Current Liabilities		3,734.96	3,734.96
	(c) Net Current Assets (a - b)		190.36	190.36
6	Capital Employed		190.36	-365.94
7	Net Worth		110.09	110.09
<b>B.</b>	<b>Financial Performance</b>			
1	Value Added		595.53	723.48
2	Net Revenue from Operations of Company		735.76	941.35
3	Profit before Tax (PBT)		686.74	334.59
<b>C.</b>	<b>Profitability Ratios</b>			
1	PBT to Capital Employed (B3/ A6)	%	360.76%	-91.43%
2	PBT to Net Worth (B3/ A7)	%	623.80%	303.92%
3	PBT to Value Added (B3/ B1)	%	115.31%	46.25%
4	PBT to Net revenue from Operations (B3/ B2)	%	93.34%	35.54%
<b>D.</b>	<b>Other Financial Ratios</b>			
1	Debt-Equity Ratio		44.35	44.35
2	Current Assets to Current Liabilities		1.05	1.05
3	Value Added to Net Revenue from Operations	%	80.94%	76.86%
<b>E.</b>	<b>Working Capital Ratios</b>			
1	Raw Materials Stock to Consumption	Months	-	-
2	Stores and Spares to Consumption	Months	-	-
3	Finished Goods Stock to Cost of Sales	Months	-	-
<b>Note</b>	Previous Year Figures have been re-grouped and re-arranged wherever considered necessary.			

## 5. RELATED PARTY TRANSACTION (for the company whole)

Sr. No	Name & Address of the Related Party	Name of the Product / Service	Nature of Transaction (Sale, Purchase, etc.)	CIN	Qty	Transfer Price	Amount (in Millions)	Normal Price	Basis adopted to determine the Normal Price
1	IL&FS Transportation Networks Limited	Operating Expenses	Service received	L45203MH2000PLC129790			56.67	56.67	Any other method As per agreement

## Note :

1) NA Stands for "Not Applicable".

## 6. RECONCILIATION OF INDIRECT TAXES (for the Company as a whole)

Sl. No.	Particulars	Taxable Value / Assessable	Excise Duty	Goods & Services Tax			
				CGST	SGST / UTGST	IGST	Cess
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	<b>Duties/Taxes Payable</b>						
	<b>Excise Duty</b>						
1	Domestic	-	-				
2	Export	-	-				
3	Stock Transfers	-	-				
4	Others, if any	-	-				
5	<b>Total (1 to 4)</b>	-	-				
	<b>Goods &amp; Services Tax</b>						
6	Outward Taxable Supplies (other than zero rated, Nil Rated and Exempted)	-		-	-	-	-
7	Outward Taxable Supplies (zero rated)	-		-	-	-	-
8	Inward Supplies (liable to Reverse Charge)	-		-	-	-	-
9	Other Outward Supplies (Nil Rated, Exempted)	1,335.37					
10	NON-GST Outward Supplies	-					
11	<b>Total (6 to 10)</b>	<b>1,335.37</b>		-	-	-	-
12	<b>Total Duties / Taxes Payable (5 + 11)</b>	<b>1,335.37</b>	-	-	-	-	-
	<b>Duties/Taxes Paid [by Utilisation of Input Tax Credit and Payment through Cash Ledger, as the case may be]</b>						
	<b>GST - Input Tax Credit Utilised</b>						
13	CGST			7.13		-	
14	SGST / UTGST				7.13	-	
15	IGST			1		-	
16	CESS						-
17	Transitional Credit						
18	<b>Total Input Tax Credit Utilised (13 to 17)</b>			<b>8.03</b>	<b>7.13</b>	-	-
19	Payment through Cash Ledger		-			-	-
20	<b>Total Duties/Taxes Paid (18 + 19)</b>		-	<b>8.03</b>	<b>7.13</b>	-	-
	<b>Difference between Taxes Paid and Payable (12 - 20)</b>		-	<b>-8.03</b>	<b>-7.13</b>	-	-
21	Interest/Penalty/Fines Paid		-			-	-

## Note:

- 1) Figures are as per GSTR 3B

Chivilkar Solanki & Associates  
Cost Accountant  
Firm Reg. No. : 000468

Vijaykumar C Solanki  
Proprietor  
Membership No. : 29520  
Place : Thane  
Date \_\_/\_\_/2022  
**UDIN 2229520**

For HAZARIBAGH RANCHI EXPRESSWAY LIMITED

  
Vijay Kini  
Director  
DIN No. 06612768  
Place: Mumbai  
Date: 05/09/2022

  
Priyanka Upadhyay  
Company Secretary  
Membership No. 42183  
Place: Mumbai  
Date: 05/09/2022





# **KDA & ASSOCIATES**

(Formerly Known as KDT & Associates)

COMPANY SECRETARIES

201, Modi Nivas CHS Ltd., S V Road, Santacruz (W), Mumbai-400 054 Email: team@cskda.com Phone: 2600 0308

Form No. MR-3

## **SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members,

**HAZARIBAGH RANCHI EXPRESSWAY LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HAZARIBAGH RANCHI EXPRESSWAY LIMITED** (hereinafter called "the Company"), incorporated on 19<sup>th</sup> March, 2009 having CIN: U45203MH2009PLC191070 and Registered office at The IL&FS Financial Centre, Plot No. C-22, G Block Bandra Kurla Complex, Bandra (East), Mumbai Mumbai City MH 400051. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on **31<sup>st</sup> March, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the Financial Year ended on **31<sup>st</sup> March, 2022** as made available to us, according to the following provisions of (including any statutory modifications, amendments or re-enactment thereof for the time being in force):

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder-;





# KDA & ASSOCIATES

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COMPANY SECRETARIES

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- *Not Applicable during the period under review*;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- *Not Applicable during the Audit period under review*;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- *Not Applicable during the Audit period under review*;
  - The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- *Not Applicable during the Audit period under review*;
  - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- *Not Applicable during the period under review*;
  - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - *Not Applicable during the period under review*;



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We have relied on the representation made by the Company and its officers for the systems and the mechanism formed by the Company for the Compliances under the other laws (Acts and the regulations) as may be applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

To the best of our knowledge and belief, during the year under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following observations:

- *The Company has appointed Company secretary as required pursuant to the provisions of Section 203 of the Act w.e.f 12<sup>th</sup> April, 2022 i.e. after the closure of the financial year accordingly the Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2021 is not signed as per the provisions of Section 134 of the Companies Act, 2013.*
- *The Board of Directors of the Company has formulated the Corporate Social Responsibility Policy (CSR Policy) and have approved the amount of expenditure to be incurred on the activities to be undertaken by the Company as per the provisions of the Act and CSR Policy in its meeting held on 17<sup>th</sup> May, 2022 i.e. after the closure of the financial year.*

We further report that-

*The Board of Directors of the Company is constituted with Nominee Directors only. Also the changes in composition of Board of Directors and Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act.*

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 (Seven) days in advance (except for the Board meetings called at shorter notice), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting including participation through video conference.

Decisions at the meetings of the Board of Directors of the Company were carried out unanimously. There were no dissenting views by any member of the Board of Directors during the year under review.





# KDA & ASSOCIATES

(Formerly Known as KDT & Associates)

COMPANY SECRETARIES

We further report during the audit period the Company has following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- a. The Ministry of Corporate Affairs (MCA), Government of India, has initiated investigation by Serious Fraud Investigation Office (SFIO) against Infrastructure Leasing & Financial Services Limited (IL&FS), the Ultimate Holding Company including IL&FS Transportation Networks Ltd (ITNL), the Holding Company under Section 212(1) of the Companies Act, 2013. As a part of its investigation, SFIO has been seeking information. The investigation is in progress.
- b. In the matter of Infrastructure Leasing and Financial Services Limited (IL&FS) MA 1054/2019 in the Company Petition No. 3638/2018, the Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated 26.04.2019 has granted the dispensation regarding the appointment of Independent Directors and Women Directors pursuant to Section 149 of the Companies Act, 2013. In view thereof, the Company has not appointed Women Director and Independent Directors.
- c. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 ("LoDR Regulations"), the provisions of LoDR Regulations 16 to 27 of Chapter IV are applicable to the Company w.e.f 07<sup>th</sup> September, 2021, however these provisions are on a 'comply or explain basis' till 31<sup>st</sup> March, 2023. Hence, company is in process to comply with the regulations applicable to them as mentioned above.

For KDA & Associates  
(Formerly Known as KDT & Associates)  
Company Secretaries



*R. Makwana*

Nikunj Makwana  
Partner

Membership No.: ACS 62943

CoP No.: 23501

UDIN: A062943D000912946

Date: 05<sup>th</sup> September, 2022

Place: Mumbai

# KDA & ASSOCIATES

(Formerly Known as KDT & Associates)

COMPANY SECRETARIES

To,

The Members,

**HAZARIBAGH RANCHI EXPRESSWAY LIMITED**

Our report of event date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KDA & Associates  
(Formerly Known as KDT & Associates)  
Company Secretaries



*R. Makwana*

Nikunj Makwana

Partner

Membership No.: ACS 62943

CoP No.: 23501

UDIN: A062943D000912946

Date: 05<sup>th</sup> September, 2022

Place: Mumbai

**ANNEXURE -E****SUMMARY OF SIGNIFICANT ORDERS PASSED BY NCLAT/NCLT**

<b>Sr. No.</b>	<b>Parties / Case No.</b>	<b>Adjudicating Authority</b>	<b>Date of Order</b>	<b>Particulars</b>
1	Union of India, Ministry of Corporate Affairs Vs Infrastructure Leasing & Financial Services Limited ('IL&FS') and 10 Ors. (C.P. 3638/2018)	National Company Law Tribunal, Mumbai Bench	October 1, 2018  (read with orders dated October 3, 2018 and December 21, 2018)	<p>The Union of India, through Ministry of Company Affairs filed an application under Section 241(2) read with Section 242(2)(k) of the Companies Act, 2013 ("Act") against IL&amp;FS, before the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT").</p> <p>The Hon'ble NCLT suspended the erstwhile Board of Directors of IL&amp;FS and appointed a new Board of Directors ("New Board") for IL&amp;FS. The order, <i>inter alia</i>, directed to take over the affairs of IL&amp;FS immediately; conduct its business as per the Memorandum and Articles of Association of IL&amp;FS and provisions of the Act; and submit a roadmap to the Hon'ble NCLT before October 31, 2018.</p> <p>It is pertinent that three more directors were appointed to the New Board of IL&amp;FS <i>vide</i> orders dated October 3, 2018 and December 21,</p>

				2019.
2	Union of India, Ministry of Corporate Affairs vs Infrastructure Leasing & Financial Services Limited ('IL&FS') and 10 Ors. (M.A. 1110 of 2018 in C.P. No. 3638 of 2018)	National Company Law Tribunal, Mumbai Bench	October 5, 2018	The Hon'ble NCLT <i>inter alia</i> (i) directed that no action should be initiated against the New Board for the past actions and past wrongs of the suspended directors and officials of IL&FS without prior approval of the Hon'ble NCLT; and (ii) granted immunity to the directors on the New Board <i>inter alia</i> from disqualification/ disability under Section 164 and 167 of the Companies Act, 2013 that may arise out of the acts of the suspended directors of IL&FS.
3	Union of India, Ministry of Corporate Affairs vs IL&FS and 10 Ors. (MA 1110 / 2018 in C.P. 3638 (MB) /2018)	National Company Law Tribunal, Mumbai Bench	October 9, 2018	The Hon'ble NCLT passed an order <i>inter alia</i> holding that: (a) actions of the New Board done in good faith, in the interests of IL&FS, various stakeholders including the public at large are protected; which empowered the New Board to replace the directors on the subsidiaries, joint-ventures and associate companies of IL&FS as per existing provisions of the Memorandum and Articles of Association of IL&FS

				Group Company.
4	Union of India Vs IL&FS and Ors. (Company Appeal (AT) no. 346 of 2018) With IL&FS Vs Union of India (Company Appeal (AT) no. 347 of 2018)	National Company Law Appellate Tribunal, New Delhi	October 15, 2018	The Hon'ble National Company Law Appellate Tribunal ("NCLAT") granted interim stay on, amongst others, coercive creditor and other action against IL&FS and its group companies.
5	Union of India Vs IL&FS and 2 Ors. (CP 4506/2018)	National Company Law Tribunal, Mumbai Bench	January 1, 2019	The Hon'ble NCLT ordered the reopening and recasting of books of accounts of IL&FS and two other subsidiary companies of IL&FS <i>i.e.</i> , IFIN and ITNL for the past 5 financial years under Section 130(1)(ii) of the Act on the basis that there was mismanagement in the affairs of IL&FS and the two other entities. It is pertinent to note that this order was upheld on appeal before the Hon'ble NCLAT <i>vide</i> its order dated January 31, 2019 as well as the Hon'ble Supreme Court <i>vide</i> its judgment dated June 4, 2019.
6	Union of India Vs IL&FS and Ors. (Company Appeal (AT) no. 346 of 2018)	National Company Law Appellate Tribunal, New Delhi	February 11, 2019	process of IL&FS and its group companies.  The Hon'ble NCLAT recorded the names of 69 Indian IL&FS Group Entities which were classified into "Green", "Amber" and "Red" 'categories based on the 12 month cash flow based

			<p>solvency test which was conducted by the Resolution Consultant, details of which were submitted to the NCLAT <i>vide</i> affidavit dated February 11, 2019. ITNL has been classified as a “Red” Entity.</p> <p>The Hon’ble NCLAT also excluded all offshore Entities of the IL&amp;FS Group were excluded from the purview of the interim stay granted on coercive creditor and other action <i>vide</i> the order dated October 15, 2018 passed by the Hon’ble NCLT. However, it was clarified that the resolution for those Offshore Group Entities may be taken up by the New Board under the supervision of the Hon’ble Justice (Retd.) D.K. Jain.</p> <p>By this order, the Hon’ble NCLAT also permitted all “Green” Entities of the IL&amp;FS Group to service their debt obligations as per scheduled repayment. It was further clarified that the resolution of such “Green” Entities should be within the ‘Resolution Framework’ which was placed before the Hon’ble NCLAT <i>vide</i> an affidavit dated January 25, 2019 filed by the UoI, and</p>
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				subject to the supervision of the Hon'ble Justice (Retd.) D.K. Jain.
7	Union of India, Ministry of Corporate Affairs Vs. IL&FS and Ors. (MA 1576/2019, MA 1577/2019 and MA 1054/2019 in C.P. 3638/2019)	National Company Law Tribunal, Mumbai Bench	April 26, 2019	The Hon'ble NCLT dispensed with the requirement under the Act for the appointment of independent directors and women directors in various IL&FS group companies during the moratorium period.
8	Union of India Vs IL&FS and Ors. (Company Appeal (AT) no. 346 of 2018)	National Company Law Appellate Tribunal, New Delhi	August 8, 2019	The Hon'ble NCLAT <i>inter alia</i> clarified that prior permission of Hon'ble Justice (Retd.) D. K. Jain would be required before selling, transferring, dealing with or creating any third party right, title or interest on any movable or immovable assets of the 82 "Red" entities. It is pertinent to note that by way of an order dated August 14, 2019 the Hon'ble NCLAT further clarified that the order dated August 8, 2019 shall not affect Red Entities to pay salary of its Employees/ Workman, Officers and Operational creditors to keep the Red Entities going concern.
9	Union of India, Ministry of Corporate Affairs Vs. IL&FS and 2 Ors. (M.A No. 2699 of 2019 in C.P. No. 4506 of 2018)	National Company Law Tribunal, Mumbai Bench	August 9, 2019	Further to the order dated January 1, 2019, the Hon'ble NCLT appointed the following chartered accountant for re-opening and recasting the accounts of IL&FS, IFIN and ITNL:

				<p>(a) For IL&amp;FS and IFIN: Borkar &amp; Mazumdar &amp; Co;</p> <p>(b) For ITNL: M/s. G.M. Kapadia &amp; Co.</p> <p>Further, the NCLT appointed the following chartered accountants for auditing the reopened and re-cast accounts of IL&amp;FS, IFIN and ITNL:</p> <p>For IL&amp;FS and IFIN: M/s. CNK Associates LLP;</p> <p>For ITNL: M/s. M. M. Chitale &amp; Co.</p>
10.	Union of India Vs. IL&FS and Ors. Company Appeal (AT) No. 346 and 347 of 2018)	National Company Law Appellate Tribunal, New Delhi	March 12, 2020	<p>After considering (a) the proposal of the MCA (as set out in the various affidavits filed with the Hon'ble NCLAT, including those relating to the Resolution Framework); and (b) the objections of the creditors passed an order <i>inter alia</i>:</p> <p>a. approving the procedures proposed by MCA for resolution of the IL&amp;FS Group;</p> <p>b. accepting October 15, 2018 as the Cut-Off Date for crystallization of claims/ liabilities of creditors;</p> <p>c. directing that the resolution of all entities in the IL&amp;FS Group be concluded preferably within 90 days; and</p>

				<p>d. holding that the order dated October 15, 2018 passed by the Hon'ble NCLAT requires no modification/recall and continuing the order dated October 15, 2018.</p> <p>This order dated March 12, 2020 was modified by an order dated March 30, 2020 by the Hon'ble NCLAT in light of the COVID-19 outbreak holding that the period of lockdown will be excluded from the 90 day time period granted by the Hon'ble NCLAT for the resolution of IL&amp;FS.</p>
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Tel: +91 40 2355 5799  
www.KSAiyar.com  
hyderabad@ksaiyar.com

UDIN: 22206784AKTQPA4987

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Hazaribagh Ranchi Expressway Limited

Report on the audit of the Financial Statements for the year ended on 31<sup>st</sup> March, 2022

### Opinion

We have audited the accompanying financial statements of Hazaribagh Ranchi Expressway Limited ("the Company"), for the year ended on 31st March, 2022, which comprise the balance sheet as at 31st March, 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements 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 31st March, 2022, and its Profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis of Opinion

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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 audit opinion.

### Emphasis of Matter:

- i) We draw your attention to note no 27 of the financial statements regarding no interest, additional interest, default interest, penal charges or other similar charges to accrue after the Cut -Off date of 15th Oct 2018 vide NCLAT Order dated 12th



Offices also at  
Mumbai, Chennai, Kolkata  
Bangalore, Coimbatore

March 2020 as set out in Initial Resolution Framework. Pursuant to the Order of NCLAT, the Company has not recognised any interest (amounting to Rs.2411.40 Mn)(Previous Year Rs 1769.23 Mn)default interest, penal interest and any other charges after the cut-off date of October 15,2018 till 31st March 2022.

Our audit opinion is not modified in respect of the above matter.

- ii) We refer to Note No. 28 to the financial statements. National Company Law Appellate Tribunal (NCLAT) Vide its order date February 11, 2019 classified the company under “Amber” category, based on a 12-month cash flow solvency test, which means that the Company is able to meet only financial obligation towards Senior Lenders and operational creditors. In view of this classification and the moratorium order, the Company has stopped servicing financial obligations towards all its financial creditors. The New Board has incorporated an infrastructure investment trust (“InvIT”) under the SEBI InvIT regulations and proposes to transfer the stake held by ITNL along with loans and receivables from the Company to the said InvIT. In furtherance of the same, ITNL has incorporated a wholly owned subsidiary to act as the Sponsor to the InvIT as mentioned in Note 28 of the financial statements. All these factors indicate and cast a doubt about the Company’s ability to continue as a ‘Going Concern’. However, management has continued to prepare financial statements on a ‘Going Concern’ basis for the reasons detailed in note no. 28.

Our audit opinion is not modified in respect of the above matter.

- iii) We draw your attention to Note no. 34 of the financial statements wherein it is mentioned that The Ministry of Corporate Affairs (MCA), Government of India, has vide its letter dated October 1, 2018 initiated investigation by Serious Fraud Investigation Office (SFIO) against IL&FS (ultimate holding company) and its group companies under Section 212 (1) of the Companies Act, 2013. As a part of investigation of affairs of ITNL (the Holding Company), SFIO has also been seeking from ITNL various information including relating to project undertaken by the Company (for which ITNL acted as Development Contractor and promoter). The investigation is in progress, and it is understood that the relevant information is being provided by ITNL to the agency. At this stage, no material impact/implications had arisen from the aforesaid developments. However, an uncertainty relating to the future outcome of the regulatory actions is not determinable at this stage.

Our audit opinion is not modified in respect of the above matter.

- iv) There are certain non-compliance of applicable laws and regulations pertaining to filings with Regulators and appointment of key management personnel. These do not have an impact on financial reporting as referred to in Note No. 38 of the financial statements.

Our audit opinion is not modified in respect of the above matter.

#### Key Audit Matters





Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Except for the matters detailed in Basis for qualified opinion para and Emphasis of matter para we have determined that there no (other) key audit matters to communicate in our report.

**“Information Other than the Financial Statements and Auditor’s Report Thereon”**

The Company’s Board of Directors is responsible for the other information. The other information for the Company comprises the information included in the Directors’ Report and Annexures thereto but does not include the standalone financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We are informed that the Directors’ Report and related annexures will get finalized and adopted in the subsequent Board meeting and therefore the same could not be commented upon by us as on today.

**Responsibilities of Management and Those Charged with Governance for the 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 the 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 (Ind AS) specified under section 133 of the Act read with companies (Indian Accounting Standard) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company’s financial reporting process.



### **Auditor's Responsibilities for the Audit of the 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 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 the 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.
- 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. (Refer Note no.28 on going concern status of the company)
- 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current





period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure-A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. Further we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of 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 financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with applicable rules.
  - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure-B**".
  - g) As there is no managerial remuneration paid or payable, the requirements of section 197(16) of the Act, as amended is not applicable to the Company.
  - 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 does not have any pending litigation which would impact its financial position;
    - (ii) The Company did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses;





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

(iv)

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

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

C. Based on such audit procedures as 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 (iv) (A) and (iv) (B) contain any material mis-statement.

(v) The company has not declared or paid any dividend during the year as per Section 123 of the Act.

For K.S.Aiyar & Co  
Chartered Accountants  
Firm's Registration No.100186W  
UDIN: 22206784AKTQPA4987

*G. C. Nageswara Rao*

G C Nageswara Rao  
Partner  
M.No. 206784  
Place: Hyderabad  
Date: 27.05.2022



**ANNEXURE-A**

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the financial statements for the year ended on 31<sup>st</sup> March, 2022 of **Hazaribagh Ranchi Expressway Limited**).

- (i)
  - a)
    - A. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
    - B. The Company has maintained proper records showing full particulars of intangible assets.
  - b) A substantial portion of the fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c) The Company does not have any immovable properties. Accordingly, clause 3(i)(c) is not applicable.
  - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) Considering the nature of business of the Company, clause 3 (ii) of the Order regarding inventory is not applicable to the company.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, sub-clause (a), (b), (c), (d), (e) and (f) of clause 3(iii) are not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not advanced any loans, has not made any investments, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act").
- (v) The Company has not accepted any deposits from the public to which the provisions of section 73 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules 2014 apply.
- (vi) According to information & explanations given to us, the Central Government has prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, and the Company has made and maintained the same. However,



we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii)

- a) The directions relating to Provident Fund and Employee's State Insurance are not applicable to the Company. Further, based on our examination of the records maintained during the year, the statutory dues including income tax, service tax, customs duty, excise duty, value added tax and Goods and Services Tax (GST), have generally been regularly deposited by the company with appropriate authorities. As explained to us there are no undisputed amounts payable thereof which are outstanding, as at March 31, 2022 for a period of more than six months from the date they became payable.
- b) According to the records of the Company, there are no dues of Income tax, Goods and Service tax (GST), duty of customs, duty of excise and which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income tax Act, 1961 as income during the year.

(ix)

- a) In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of dues to Non-Convertible Debenture (NCD) holders. The company has not taken loans from Banks and Financial Institutions and there are no borrowings from the government.

The details of defaults in repayment of Principal and Interest thereon to Non-Convertible Debenture holders are as under;

Details of Non-Convertible Debentures (NCD) series	Principal Amount (Rs. in million)	Interest Amount (Rs. in Mn)	Due Date	Date of Payment
NCD - SERIES A 538	200.00	194.12	14.04.2019	Not Paid
NCD - SERIES B 177	70.00	62.39	14.04.2019	Not Paid
NCD - SERIES A 538	200.00	188.70	14.10.2019	Not Paid
NCD - SERIES B 177	80.00	60.32	14.10.2019	Not Paid
NCD - SERIES A 538	200.00	178.14	14.04.2020	Not Paid
NCD - SERIES B 177	90.00	56.15	14.04.2020	Not Paid
NCD - SERIES A 538	250.00	169.61	14.10.2020	Not Paid
NCD - SERIES B 177	55.00	52.21	14.10.2020	Not Paid
NCD - SERIES A 538	260.00	158.09	14.04.2021	Not Paid





NCD – SERIES B 177	55.00	49.52	14.04.2021	Not Paid
NCD – SERIES A 538	250.00	147.88	14.10.2021	Not Paid
NCD – SERIES B 177	75.00	47.38	14.10.2021	Not Paid

We have been informed that the company has defaulted in repayment of dues to Non-Convertible Debenture holders in certain instances on account of non-payment of dues as required under the moratorium order of NCLAT.

- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- c) In our opinion and according to the information and explanations given to us by the management, no term loans were applied and obtained during the year.
- d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no short-term funds were raised by the Company during the year.
- e) 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 (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) is not applicable.
- f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies during the year ended 31 March 2022. Accordingly, clause 3(ix)(f) is not applicable.

(x)

- a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanation given to us, the monies raised by way of term loans were applied for the purpose for which they were raised.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(i)(b) of the Order is not applicable.

(xi)

- a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanations given to us, the company has not received any whistle-blower complaints during the year.



- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc.as required by the applicable accounting standards.
- (xiv)
- a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, 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 Act are not applicable to the Company
- (xvi)
- a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- b) The company does not conducts any Non-Banking Financial or Housing Finance activities. Accordingly, clause 3(xvi)(b) of the Order is not applicable
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) only has one CIC i.e., IL&FS Ltd.
- (xvii) The Company has not incurred any cash loss in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation 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, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report [subject to NCLAT Order] that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an




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

(xx)

- a) As per the information and explanations provided to us, the unspent amount, in respect of other than ongoing projects, is required to be deposited in a designated fund defined under schedule VII within 6 months of the end of the FY under sec 135. However, in view of moratorium granted by NCLAT, the Company is of the opinion that it is required to spend only those expenses which are required to maintain the going concern status. Hence, as on date of Audit Report, the Company has not transferred unspent amount to any Fund specified in Schedule VII to the Companies Act.
- b) As per the information and explanations provided to us, there are no ongoing projects for the year ended. Accordingly, transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said Act is not applicable.

For K. S. Aiyar & Co  
Chartered Accountants  
Firm's Registration No.100186W  
UDIN: 22206784AKTQPA4987

  
G C Nageswara Rao  
Partner  
M.No.206784

Place: Hyderabad  
Date: 27.05.2022





**ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON  
THE IND AS FINANCIAL STATEMENTS OF HAZARIBAGH RANCHI  
EXPRESSWAY LIMITED**

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

We have audited the internal financial controls over financial reporting of **HAZARIBAGH RANCHI EXPRESSWAY LIMITED** ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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



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

**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

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

For K. S. Aiyar & Co  
Chartered Accountants  
Firm's Registration No.100186W  
UDIN: 22206784AKTQPA4987

  
G C Nageswara Rao  
Partner

M.No.206784  
Place: Hyderabad  
Date: 27.05.2022





Particulars	Notes	As At March 31, 2022		As At March 31, 2021		₹ in Mn
<b>ASSETS</b>						
<b>Non-current Assets</b>						
(a) Property, plant and equipment	4					
(b) Intangible assets						
(i) Others	5					
(c) Financial assets						
(i) Other financial assets	6					
<b>Total Non-current Assets</b>			4,079.50		4,802.33	
			4,079.50		4,802.33	
<b>Current Assets</b>						
(a) Financial assets						
(i) Investments	7A	1,579.61		1,528.25		
(ii) Cash and cash equivalents	7	98.54		60.42		
(iii) Bank balances other than (ii) above	7	2,252.21		817.93		
(iv) Other financial assets	6	1,282.88	5,213.23	1,468.11	3,874.71	
(b) Current tax assets (Net)	15		62.10		30.60	
(c) Other current assets	8		18.69		20.01	
<b>Total Current Assets</b>			5,294.03		3,925.32	
<b>Total Assets</b>			9,373.53		8,727.65	
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
(a) Equity share capital	9	1,310.00		1,310.00		
(b) Other Equity	10	(513.17)		(1,199.91)		
Equity attributable to owners of the Company			796.83		110.09	
<b>Total Equity</b>			796.83		110.09	
<b>LIABILITIES</b>						
<b>Non-current Liabilities</b>						
(a) Financial Liabilities						
(i) Borrowings	11		4,197.60		4,882.60	
<b>Total Non-current Liabilities</b>			4,197.60		4,882.60	
<b>Current liabilities</b>						
(a) Financial liabilities						
(i) Borrowings	11.1	3,769.34		3,084.34		
(ii) Trade payables						
a) Total Outstanding dues of Micro enterprises and Small Enterprises	14	0.08		0.35		
b) Total Outstanding dues of creditors other than micro enterprises and small Enterprises	14	340.98		381.46		
(iii) Other financial liabilities	12	267.64	4,378.04	267.64	3,733.78	
(b) Other current liabilities	13		1.06		1.17	
<b>Total Current Liabilities</b>			4,379.10		3,734.96	
<b>Total Liabilities</b>			8,576.70		8,617.56	
<b>Total Equity and Liabilities</b>			9,373.53		8,727.65	

Note 1 to 40 forms part of the financial statements.

In terms of our report attached.  
For K S Aiyar & Co  
Chartered Accountants  
Firm's Registration No. 100186W

G C Nageswara Rao  
Partner  
M.No.206784  
UDIN:22206784AKT6PA4987



For and on behalf of the Board

Vijay Kini  
Director  
Din:06612768

Parag Phanse  
Director  
Din: 08388809

Amit Prakash  
Manager

Vicky Masani  
Chief Financial Officer  
Place: Mumbai  
Date :27.05.2022

Priyanka Upadhyay  
Company Secretary

Place: Hyderabad  
Date: 27/05/2022

₹ in Mn

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
I. Income from Operations	16	735.76	941.35
II. Other income	17	122.20	85.82
III. Total Income (I+II)		857.96	1,027.17
IV. Expenses			
Operating expenses	18	67.29	87.10
Periodic Maintenance expenses	18.1	72.94	208.09
Employee benefit expenses	18.2	2.11	2.90
Finance costs (net)	19	0.24	0.24
Modification Loss on financial assets (Refer Note No. 29)		-	87.22
Depreciation and amortisation expense	20	-	-
Other expenses	21	28.65	307.02
Impairment loss on financial Assets (Refer Note No. 34)		-	-
Total expenses (IV)		171.23	692.57
V Profit/(loss) before tax (III-IV)		686.74	334.59
VI Less: Tax expense			
(1) Current tax		-	-
(2) Deferred tax		-	-
Total Tax expenses		-	-
VII Profit/(loss) after tax (V-VI)		686.74	334.59
VIII Profit for the year (VII+VIII)		686.74	334.59
IX Other Comprehensive Income			
Total other comprehensive (loss) / income (A (i-ii)+B(i-iii))		-	-
X Total comprehensive (loss) / income for the year (X+XI)		686.74	334.59
Profit for the year attributable to:			
- Owners of the Company		686.74	334.59
- Non-controlling interests		686.74	334.59
Other comprehensive income for the year attributable to:			
- Owners of the Company		-	-
- Non-controlling interests		-	-
Total comprehensive income for the year attributable to:			
- Owners of the Company		686.74	334.59
- Non-controlling interests		686.74	334.59
VIII Earnings per equity share (face value 10 per share):	22		
(1) Basic (in Rs.)		5.24	2.55
(2) Diluted (in Rs.)		5.24	2.55

Note 1 to 40 forms part of the financial statements.

In terms of our report attached.  
For K S Aiyar & Co  
Chartered Accountants  
Firm's Registration No. 100186W

G. C. Nageswara Rao  
Partner  
M No. 206784  
UDIN: 22206784KTOPA4987

Place: Hyderabad  
Date: 27/05/2022

For and on behalf of the Board

Vijay Kini  
Director  
Din: 06612768

Karag Phanse  
Director  
Din: 08388809

Amit Prakash  
Manager

Vicky Masani  
Chief Financial Officer

Priyanka Upadhyay  
Company Secretary

Place: Mumbai  
Date: 27.05.2022

		₹ in Mn	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021	
Cash flows from operating activities			
Profit/(Loss) for the year	686.74	334.59	
Adjustments for:			
Finance costs recognised in profit or loss	0.24	0.24	
Interest income recognised in profit or loss	(53.77)	(29.85)	
Net gain/(loss) arising on financial assets designated as at FVTPL	(51.36)	(51.51)	
Profit on sale of Mutual Fund	-	-	
Modification Gain/Loss on IRR	(17.06)	87.22	
Operation and maintenance income	(73.57)	(82.92)	
Finance income	(581.61)	(612.79)	
Overlay Income	(80.58)	(229.88)	
Expenses towards damage & negative change of scope	9.12	288.78	
Receipt of Annuities	1,651.76	9.61	
Depreciation and amortisation expenses	-	-	
Impairment Loss	-	-	
	1,489.89	(286.51)	
Movements in working capital:			
(Increase)/decrease in other financial assets & other assets (current and non current)	1.31	(37.73)	
Increase/ (Decrease) in financial liabilities & other liabilities (current and non current)	(40.86)	76.34	
	(39.54)	38.60	
	1,450.35	(247.91)	
Cash generated from operations	(31.50)	49.52	
Income taxes paid (net of refunds)	1,418.85	(198.39)	
Net cash generated by operating activities (A)			
Cash flows from investing activities			
Interest received	53.77	29.85	
Investment in Mutual Fund (At Cost)	-	-	
Redemption of Mutual Fund (At Cost)	(1,434.27)	(415.37)	
Increase in other bank balances	-	-	
	(1,380.50)	(385.53)	
Net cash used in investing activities (B)			
Cash flows from financing activities			
Proceeds from borrowings	-	-	
Repayment of borrowings	(0.00)	(0.00)	
Movement in Short Term Borrowing	(0.24)	(0.24)	
Finance costs paid	(0.24)	(0.24)	
Net cash generated in financing activities (C)			
	38.11	(584.15)	
Net increase/ (decrease) in cash and cash equivalents (A+B+C)			
	60.42	644.57	
Cash and cash equivalents at the beginning of the year			
	98.54	60.42	
Cash and cash equivalents at the end of the year			

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Components of Cash and Cash Equivalents		
Cash on hand	-	-
Balances with Banks in current accounts	98.54	60.42
Balances with Banks in deposit accounts	-	-
Cash and Cash Equivalents	98.54	60.42
Cash and cash equivalents for statement of cash flows	98.54	60.42

Disclosing change in financial liabilities				
Particular	March 31, 2021	Cash flow	Non Cash changes	March 31, 2022
Long Term - Secured Loan - NCD	5,835.83	-	-	5,835.83
Long Term - Secured Loan - Related	210.04	-	0.00	210.04
Unsecured Loan	1,921.07	-	(0.00)	1,921.07
Total	7,966.94	-	(0.00)	7,966.94

Note 1 to 40 forms part of the financial statements.

In terms of our report attached.  
For K S Aiyar & Co  
Chartered Accountants  
Firm's Registration No.100186W

G C Nageswara Rao  
Partner  
M.No.206784

UDIN: 22206784AKT6PA4987

Place: Hyderabad  
Date: 27/05/2022

For and on behalf of the Board

Vijay Kini  
Director  
Din: 06612768

Parag Phanse  
Director  
Din: 08388809

Amit Prakash  
Manager

Vicky Masani  
Chief Financial Officer

Priyanka Upadhyay  
Company Secretary

Place: Mumbai  
Date: 27.05.2022

₹ in Mn		
a. Equity share capital	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Balance as at the beginning of the year	1,310.00	1,310.00
Change in the Equity Share Capital due to prior period errors	-	-
Restated balance as at April 1,	1,310.00	1,310.00
Changes in equity share capital during the year	-	-
Balance as at end of the year	1,310.00	1,310.00

Statement of changes in equity for the year ended March 31, 2022

b. Other equity	Reserves and surplus			
	Deemed Equity	Retained earnings	Debenture Redemption Reserve	Total
Balance as at April 1, 2021	1,285.40	(3,086.30)	601.00	(1,199.90)
Profit / (Loss) for the year	-	686.74	-	686.74
Other comprehensive income for the year, net of income tax	-	-	-	-
Transfer to Debenture Redemption Reserve	-	-	-	-
Debenture Redemption Reserve	-	-	-	-
Total comprehensive income for the year	1,285.40	(2,399.56)	601.00	(513.16)
Balance As at March 31, 2022	1,285.40	(2,399.56)	601.00	(513.16)

Statement of changes in equity for the year ended March 31, 2021

b. Other equity	Reserves and surplus			
	Deemed Equity	Retained earnings	Debenture Redemption Reserve	Total
Balance as at April 1, 2020	1,285.40	(3,420.89)	601.00	(1,534.49)
Profit / (Loss) for the year	-	334.59	-	334.59
Other comprehensive income for the year, net of income tax	-	-	-	-
Transfer to Debenture Redemption Reserve	-	-	-	-
Debenture Redemption Reserve	-	-	-	-
Total comprehensive income for the year	1,285.40	(3,086.30)	601.00	(1,199.90)
Balance As at March 31, 2021	1,285.40	(3,086.30)	601.00	(1,199.90)

Note 1 to 40 forms part of the financial statements.

In terms of our report attached.  
For K S Aiyar & Co  
Chartered Accountants  
Firm's Registration No.100186W

G C Nageswara Rao  
Partner  
M.No.206784



Place: Hyderabad  
Date: 27/05/2022

For and on behalf of the Board

Vijay Kini  
Director  
Din:06612768

Parag Phanse  
Director  
Din: 08388809

Amit Prakash  
Manager

Vicky Masani  
Chief Financial Officer

Priyanka Upadhyay  
Company Secretary

Place: Mumbai  
Date :27.05.2022



## **General Information & Significant Accounting Policies**

### **Note No-1. General information**

The Company was incorporated under the Companies Act 1956 on March 19, 2009. The Company was originally formed as "ITNL Highways Development Company Ltd" and its name was changed to 'Hazaribagh Ranchi Expressway Limited' with effect from May 11, 2009.

The Company is a special purpose vehicle (SPV) promoted by IL&FS Transportation Networks Limited (ITNL). The Company has entered into a Concession Agreement with National Highways Authority of India (NHAI) on October 08, 2009 to Design, Engineer, Finance, Procure, Construct, Operate and Maintain 4 laning Hazaribagh-Ranchi section of NH-33 from km 40.500 to km 114.000 in the State of Jharkhand on Build, Operate and Transfer (Annuity) basis. The Concession Agreement envisages concession for a period of 18 years commencing from the appointed date including construction period of 910 days required for 4 laning of the Project. The address of its registered office and principal place of business is The IL&FS Financial Centre, Plot C-22.'G' Block. Bandra Kurla Complex, Bandra (East), Mumbai-400051.

### **Note No-2. Significant accounting policies**

#### **2.1 Statement of compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Companies Act, 2013("the Act").

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

#### **2.2 Basis of preparation and presentation**

The Financial Statements are presented in INR, which is also the Company's functional currency and all values are rounded to the nearest millions (INR 000,000), except earnings per share and except otherwise indicated.

The financial statements have been prepared on a historical cost basis, except for the following asset and liabilities which have been measured at fair value:

- Derivative financial instruments



- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on this basis.

### 2.3 Use of estimates

The preparation of financial statements in conformity with IND AS requires the Management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of financial statements. The recognition, measurement, classification or disclosures of an item or information in the financial statements have been made relying on management estimates to a greater extent.

### 2.4 Fair value measurement

The Company measures financial instruments, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.





The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets, such as properties and significant liabilities, such as contingent consideration.

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

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

## **2.5 Accounting for rights under service concession arrangements and revenue recognition**

### **i. Recognition and measurement**

The Company builds, operates and maintains infrastructure assets under public-to-private Service Concession Arrangements (SCAs), which is an arrangement between the "grantor" (a public sector entity/authority) and the "operator" (a private sector entity) to provide services that give the public access to major economic and social facilities utilizing private-sector funds and expertise. The infrastructures accounted for by the Company as concessions are mainly related to the activities concerning roads.

Concession contracts are public-private agreements for periods specified in the SCAs including the construction, upgradation, restoration of infrastructure and future services



associated with the operation and maintenance of assets in the concession period. Revenue recognition, as well as, the main characteristics of these contracts are detailed in Note 2.5.iii.

With respect to service concession arrangements, revenue and costs are allocated between those relating to construction services and those relating to operation & maintenance services, and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructure used in a concession are classified as an intangible asset or a financial asset, depending on the nature of the payment entitlements established in the concession agreement.

When the amount of the arrangement consideration for the provision of public services is substantially fixed by a contract, the Company recognizes revenues from construction services for public facilities (infrastructures) by the percentage-of-completion method, and recognizes the consideration as a financial asset and the same is classified as "Receivables against Service Concession Arrangements". The Company accounts for such financial assets at amortized cost, calculates interest income based on the effective interest method and recognizes it in revenue as Finance Income.

**ii. Contractual obligation to restore the infrastructure to a specified level of serviceability**

The Company has contractual obligations to maintain the infrastructure to a specified level of serviceability or restore the infrastructure to a specified condition during the concession period and/or at the time of hand over to the grantor of the SCA. Such obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. In case of concession arrangements under financial asset model, such cost are recognized in the period in which such cost are actually incurred.

**iii. Revenue recognition**

Once the infrastructure is in operation, the treatment of income is as follows:

Finance income for concession arrangements under financial asset model is recognized using the effective interest method. Revenues from operations and maintenance services and overlay services are recognized in each period as and when services are rendered in accordance with Ind AS 115 Revenue from Contracts with Customers.

Interest Income is recognized on an accrual basis.





**iv. Revenue from construction contracts**

The Company recognizes and measures revenue, costs and margin for providing construction services during the period of construction of the infrastructure in accordance with Ind AS 115 'Construction Contracts'.

When the outcome of a construction contract can be estimated reliably and it is probable that it will be profitable, contract revenue and contract costs associated with the construction contract are recognized as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The percentage of completion of a contract is determined considering the proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total contract costs.

For the purposes of recognizing revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognized as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense in the Statement of Profit and Loss in the period in which such probability occurs.

**v. Borrowing cost related to SCAs**

In case of concession arrangement under financial asset model, borrowing costs attributable to construction of the infrastructure are charged to Statement of Profit and Loss in the period in which such costs are incurred.

In case of concession arrangement under intangible asset model, borrowing costs attributable to the construction of infrastructure assets are capitalised up to the date of



the final completion certificate of the asset / facility received from the authority for its intended use specified in the Concession Agreement. All borrowing costs subsequent to the capitalization of the intangible assets are charged to the Statement of Profit and Loss in the period in which such costs are incurred.

#### vi. Claims

Claims raised with the concession granting authority towards reimbursement for costs incurred due to delay in handing over of unencumbered land to the Company for construction or other delays attributable solely to the concession granting authority are recognized when there is a reasonable certainty that there will be inflow of economic benefits to the company. The claims when recognised as such are reduced from the carrying amount of the intangible asset / financial asset under the service concession arrangement, as the case may be, to the extent the claims relate to costs earlier included as a part of the carrying amount of these assets. Further, these claims and interest there on are credited to profit or loss to the extent it is probable to have economic benefits to the company.

### 2.6 Borrowing costs

Borrowing costs are recognised in the period to which they relate, regardless of how the funds have been utilised, except where it relates to the financing of construction or development of assets requiring a substantial period of time to prepare for their intended future use. Interest is capitalised up to the date when the asset is ready for its intended use. The amount of interest capitalised (gross of tax) for the period is determined by applying the interest rate applicable to appropriate borrowings outstanding during the period to the average amount of accumulated expenditure for the assets during the period. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 2.7 Taxation

#### 2.7.1 Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The





Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

Management periodically evaluates positions taken in the tax return with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### 2.7.2 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases values used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets (including unused tax credits such as MAT credit and unused tax losses such as carried forward business loss and unabsorbed depreciation) are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.



## **2.8 Property, plant and equipment**

Property, plant and equipment acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition cost includes the purchase price (excluding refundable taxes) and expenses, such as delivery and handling costs, installation, legal services and consultancy services, directly attributable to bringing the asset to the site and in working condition for its intended use.

Where the construction or development of any asset requiring a substantial period of time to set up for its intended use is funded by borrowings, the corresponding borrowing costs are capitalised up to the date when the asset is ready for its intended use.

All assets are depreciated on a Straight Line Method (SLM) of Depreciation, over the useful life of assets as prescribed under Schedule II of the Companies Act, 2013.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying of the asset and is recognised in profit or loss.

## **2.9 Impairment of tangible assets/intangible asset**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible /intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discount rate.

Recoverable amount is the higher of fair value less costs of disposal and value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.





A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

## **2.10 Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognized 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).

## **2.11 Financial instruments**

Financial assets and financial liabilities are recognized when a 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 ("FVTPL") are recognised immediately in the statement of profit and loss.

## **2.12 Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a



trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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.

### 2.12.1 Classification of financial assets – debt instruments

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The

EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

### 2.12.2 Amortised cost and Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

### 2.12.3 Financial assets at FVTPL

Debt instruments that do not meet the amortized cost or FVOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortized cost or FVOCI criteria but are designated as at FVTPL are measured at FVTPL.





A debt instrument that meets the amortized cost or FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss is included in the "Other income" line item.

#### 2.12.4 Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
- c) Loan commitments which are not measured as at FVTPL

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. However, for trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. In cases where the amounts are expected to be realized upto one year from the due date, loss for the time value of money is not recognized, since the same is not considered to be material.

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 the change in the amount of expected credit losses. To make that assessment, 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 the financial instrument as at the date of 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.



## **2.13 Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **2.13.1 Derecognition of financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial





asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

## **2.14 Modification of Cash Flows of financial assets and revision in estimates of Cash flows**

The rate considered for recognizing Finance Income (EIR) and fair valuation of the Receivable under SCA will be finalised on achievement of PCOD / COD for the Project. Thereafter this rate will remain constant during the balance concession period.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and

the renegotiation or modification does not result in the derecognition of that financial asset in accordance with Ind AS 109, the Company recalculates the gross carrying amount of the financial asset and recognises a modification gain or loss in profit or loss. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred are adjusted to the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If the Company revises its estimates of payments or receipts (excluding modifications and changes in estimates of expected credit losses), it adjusts the gross carrying amount of the financial asset or amortised cost of a financial liability to reflect actual and revised estimated contractual cash flows. The Company recalculates the gross carrying amount of the financial asset or amortised cost of the financial liability as the present value of the estimated future contractual cash flows that are discounted at the financial instrument's original effective interest rate. The adjustment is recognised in profit or loss as income or expense.

## **2.15 Financial liabilities and equity instruments-**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate

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

### **2.15.1 Classification as debt or equity**



Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **2.15.2 Financial liabilities**

All financial liabilities are subsequently measured at amortized cost using the effective interest method

### **2.15.3 Financial liabilities subsequently measured at amortised cost**

Financial liabilities are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### **2.15.4 Derecognition of financial liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

### **2.16 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the entity's cash management.





### **2.17 Cash Flow Statement:**

The statement of cash flows shows the changes in cash and cash equivalents arising during the year from operating activities, investing activities and financing activities

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as measurement gains or losses, changes in provisions, impairment of property, plant and equipment and intangible assets, as well as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing and financing activities are eliminated.

The cash flows from investing and financing activities are determined by using the direct method.

### **2.18 Earnings Per Equity Share :**

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

### **2.19 Critical accounting judgments:**

The preparation of Financial Statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities at the date of the Financial Statements and the reported amounts of income and expenses for the periods presented.

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. In case the actual results are different those from estimates, the effect thereof is given in the financial statements



of the period in which the events materialize. Any change in such estimates is accounted prospectively.

The matters to be disclosed will be dictated by the circumstances of the individual entity, and by the significance of judgements and estimates made to the performance and financial position of the entity. Instead of disclosing this information in a separate note, it may be more appropriate to include such disclosures in the relevant asset

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

### **3.1 Key estimates in relation to Fair Value measurement of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 34 for further disclosures.



HAZARIBAGH RANCHI EXPRESSWAY LIMITED

Notes forming part of Financial Statements for the period ended March 31, 2022

4. Property Plant & Equipment

Particulars	Deemed cost		Accumulated Depreciation			Carrying Amount	
	Balance As at April 01, 2021	Deductions	Balance As at March 31, 2022	Deductions	Depreciation expense	As at March 31, 2022	As at March 31, 2021
Data processing equipments	0.01	-	0.01	-	-	-	-
Office equipments	0.03	-	0.03	-	-	-	-
<b>Subtotal</b>	<b>0.03</b>	<b>-</b>	<b>0.03</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>0.03</b>	<b>-</b>	<b>0.03</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	Deemed cost		Accumulated Depreciation			Carrying Amount	
	Balance as at April 01, 2020	Deductions	Balance at March 31, 2021	Balance as at April 01, 2020	Depreciation expense	As at March 31, 2021	As at March 31, 2020
Data processing equipments	0.01	-	0.01	0.01	-	-	-
Office equipments	0.05	(0.03)	0.03	0.05	(0.03)	-	-
<b>Subtotal</b>	<b>0.06</b>	<b>(0.03)</b>	<b>0.03</b>	<b>0.06</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>0.06</b>	<b>(0.03)</b>	<b>0.03</b>	<b>0.06</b>	<b>(0.03)</b>	<b>-</b>	<b>-</b>





HAZARIBAGH RANCHI EXPRESSWAY LIMITED  
Notes forming part of Financial Statements for the period ended March 31, 2022

5. Intangible assets

Particulars	Cost or deemed cost			Accumulated Amortisation		Carrying Amount	
	Balance As at April 01, 2021	Additions	Deductions	Balance As at March 31, 2022	Balance As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Software / Licences acquired	0.06			0.06	0.06	-	-
<b>Total</b>	<b>0.06</b>	<b>-</b>	<b>-</b>	<b>0.06</b>	<b>0.06</b>	<b>-</b>	<b>-</b>

Particulars	Cost or deemed cost			Accumulated Amortisation		Carrying Amount	
	Balance as at April 01, 2020	Additions	Deductions	Balance at March 31, 2021	Balance at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Software / Licences acquired	0.06			0.06	0.06	-	-
Commercial rights acquired	-			-	-	-	-
Trademarks and licences	-			-	-	-	-
Others	-			-	-	-	-
<b>Subtotal (a)</b>	<b>0.06</b>	<b>-</b>	<b>-</b>	<b>0.06</b>	<b>0.06</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>0.06</b>	<b>-</b>	<b>-</b>	<b>0.06</b>	<b>0.06</b>	<b>-</b>	<b>-</b>



## 6. Other financial assets (Unsecured, considered good unless otherwise mentioned)

₹ in Mn

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Receivable under service concession arrangements	4,078.66	1,245.61	4,801.48	1,430.84
Less : Provision of Impairment on Assets	-	-	-	-
Total	4,078.66	1,245.61	4,801.48	1,430.84
Claim & others receivable from authority - Unsecured (refer foot-note)	-	0.80	-	0.80
Security Deposits - Others	0.85	-	0.85	-
Receivable from Related parties	-	36.47	-	36.47
<b>Total</b>	<b>4,079.50</b>	<b>1,282.88</b>	<b>4,802.33</b>	<b>1,468.11</b>

## 7. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

₹ in Mn

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks		
In current accounts	98.54	60.42
Cash in hand	-	-
<b>Cash and cash equivalents</b>	<b>98.54</b>	<b>60.42</b>
In term deposits with maturity more than 3 months but less than 12 months.	2,210.00	815.40
Interest Accrued on Fixed Deposit	42.21	2.53
Balances held as margin money or as security against borrowings	-	-
<b>Other bank balances</b>	<b>2,252.21</b>	<b>817.93</b>



7A. Current Investments

₹ in Mn

particulars	As at March 31, 2022		As at March 31, 2021	
	Qty	Amount	Qty	Amount
<b>Unquoted Investments (all fully paid) #</b>				
(a) Investments in BOI AXA Liquid Fund - Regular Plan - Growth (LFRGG) (note i) ( NAV as at March 31, 2022- Rs. 2428.5799)	2,81,779.49	684.32	2,81,779.49	661.89
(b) Investments in HDFC Liquid Fund - Growth ( NAV as at March 31, 2022 - Rs. 4151.7977)	2,15,638.25	895.29	2,15,638.25	866.36
<b>TOTAL INVESTMENTS (A)</b>	<b>4,97,417.74</b>	<b>1,579.61</b>	<b>4,97,417.74</b>	<b>1,528.25</b>
<b>Less : Aggregate amount of impairment in value of investments (B)</b>				
<b>TOTAL INVESTMENTS CARRYING VALUE (A) - (B)</b>	<b>4,97,417.74</b>	<b>1,579.61</b>	<b>4,97,417.74</b>	<b>1,528.25</b>

Note (i): Lien marked on BOI AXA Mutual Fund with IDBI Trustee

# Valued through FVTPL

8. Other Current assets (Unsecured, considered good unless otherwise mentioned)

₹ in Mn

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Trade Receivables (Refer foot note)	-	5.34	-	5.34
Indirect tax balances / Receivable credit	-	9.64	-	9.64
Less : Provision for Doubtful Debt-Indirect Tax Receivable	-	(0.69)	-	(0.69)
Prepaid expenses	-	3.74	-	3.56
GST TDS Receivable	-	-	-	0.83
GST Receivable	-	0.66	-	1.32
<b>Total</b>	<b>-</b>	<b>18.69</b>	<b>-</b>	<b>20.01</b>

Footnote

Trade receivables ageing schedule for the year ended as on March 31, 2022:

₹ in Mn

Particulars	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Claim & others receivable from authority:						-
Undisputed Trade receivables – considered good		-	-	2.98	2.37	5.34
Undisputed Trade receivables – credit impaired						-
Disputed Trade receivables – considered good						-
Disputed Trade receivables – credit impaired						-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.98</b>	<b>2.37</b>	<b>5.34</b>
Less : Allowance for credit loss						
<b>Total Receivable</b>		<b>-</b>	<b>-</b>	<b>2.98</b>	<b>2.37</b>	<b>5.34</b>

Trade receivables ageing schedule for the year ended as on March 31, 2021:

₹ in Mn

Particulars	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Claim & others receivable from authority:						-
Undisputed Trade receivables – considered good		-	2.98	0.50	1.87	5.34
Undisputed Trade receivables – credit impaired						-
Disputed Trade receivables – considered good						-
Disputed Trade receivables – credit impaired						-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>2.98</b>	<b>0.50</b>	<b>1.87</b>	<b>5.34</b>
Less : Allowance for credit loss						
<b>Total Receivable</b>		<b>-</b>	<b>2.98</b>	<b>0.50</b>	<b>1.87</b>	<b>5.34</b>





9. Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	₹ in Mn	Number of shares	₹ in Mn
<b>Authorised</b>				
Equity Shares of ₹ 10/- each fully paid	13,20,00,000	1,320.00	13,20,00,000	1,320.00
Issued, Subscribed and Paid up Equity Shares of ₹ 10/- each fully paid	13,10,00,000	1,310.00	13,10,00,000	1,310.00
<b>Total</b>	<b>13,10,00,000</b>	<b>1,310.00</b>	<b>13,10,00,000</b>	<b>1,310.00</b>

9.1 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year :

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	₹ in Mn	Number of shares	₹ in Mn
Shares outstanding at the beginning of the year	13,10,00,000	1,310.00	13,10,00,000	1,310.00
Shares issued during the year				
<b>Shares outstanding at the end of the year</b>	<b>13,10,00,000</b>	<b>1,310.00</b>	<b>13,10,00,000</b>	<b>1,310.00</b>

9.2 Details of shares held by the holding company, the ultimate controlling party, their subsidiaries and associates

Particulars	As at March 31, 2022	As at March 31, 2021
IL&FS Transportation Networks Limited, the holding company	13,09,86,900	13,09,86,900

9.3 Details of shares held by each shareholder holding more than 5% shares

Equity Shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares
IL&FS Transportation Networks Limited, the holding Company	13,09,86,900	99.99%	13,09,86,900	99.99%
<b>Total</b>	<b>13,09,86,900</b>	<b>99.99%</b>	<b>13,09,86,900</b>	<b>99.99%</b>

9.4 The Company has one class of equity shares with face value of ₹ 10 each fully paid-up. Each shareholder has a voting right in proportion to his holding in the paid-up equity share capital of the Company.

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. The distribution will be in proportion to the number of equity shares held by the shareholders.

Where final dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the Annual General Meeting.

9.5 Shareholding of promotor

Shares held by Promoters:

Name of the Promotor	As at March 31, 2022			As at March 31, 2021		
	Number of shares held	% of total shares	% of change during the year	Number of shares held	% of total shares	% of change during the year
IL&FS Transportation Networks Limited, the holding	13,09,86,900	99.99%	-	13,09,86,900	99.99%	-
Punj Lloyd Limited	13,100	0.01%	-	13,100	0.01%	-
<b>Total</b>	<b>13,10,00,000</b>	<b>99.99%</b>	<b>-</b>	<b>13,10,00,000</b>	<b>99.99%</b>	<b>-</b>

10. Other Equity

Particulars	₹ in Mn	
	As at March 31, 2022	As at March 31, 2021
<b>Debenture redemption reserve</b>		
Balance at beginning of the year	601.00	601.00
Transfer from Retained Earnings	-	-
<b>Balance at end of the year</b>	<b>601.00</b>	<b>601.00</b>
<b>Deemed Equity</b>		
Balance at beginning of the year	1,285.40	1,285.40
Addition during the year	-	-
<b>Balance at end of the year</b>	<b>1,285.40</b>	<b>1,285.40</b>
<b>Retained earnings</b>		
Loss at beginning of year	(3,086.31)	(3,420.90)
Profit (Loss) for the year	686.74	334.59
Transfer to Debenture Redemption Reserve	-	-
<b>Balance at end of the year</b>	<b>(2,399.57)</b>	<b>(3,086.31)</b>
<b>Sub-Total</b>	<b>(513.17)</b>	<b>(1,199.91)</b>
<b>Total</b>	<b>(513.17)</b>	<b>(1,199.91)</b>

Note - Since the company had issued non convertible debentures in the year ended March 31, 2017, in terms of Section 71 of the Companies Act, 2013 read with the Rule 7 (B) of The Companies (Share Capital and Debentures) Rules, 2014 is required to create Debenture Redemption Reserve to the extent of 10% of the value of outstanding privately placed Debentures until such debentures are redeemed, to which adequate amounts shall be credited from out of its profits every year. Accordingly, for the year ended March 31, 2020, 10% of the value of debenture outstanding has transferred to Debenture Redemption Reserve. Company has investment of Rs 684.324 mn (Previous year : Rs. 661.88 Mn) (FVTPL) in BOI AXA Liquid Fund - Regular Plan - Growth (LFRGG) and HDFC Liquid Fund - Growth, towards Debt Service Reserve Account.



11. Borrowings

Particulars	As at March 31, 2022			As at March 31, 2021		
	Long-term	Current portion	Short-term	Long-term	Current portion	Short-term
<b>Secured – at amortised cost</b>						
(i) Bonds / debentures (refer Footnote 3)						
- from other parties	2,964.14	1,850.00		3,327.99	1,360.00	
a) 8.50% Redeemable NCD - Series A	401.69	620.00		722.84	425.00	
b) 8.75% Redeemable NCD - Series B						
(ii) Term loans	210.04			210.04		
- from related parties						
<b>Unsecured – at amortised cost</b>						
(i) Term loans	621.73		1,299.34	621.73		1,299.34
- from related parties					1,785.00	1,299.34
<b>Total</b>	<b>4,197.60</b>	<b>2,470.00</b>	<b>1,299.34</b>	<b>4,882.60</b>	<b>(1,785.00)</b>	<b>(1,299.34)</b>
Less : Classified as Short term borrowings		(2,470.00)	(1,299.34)			
<b>Total</b>	<b>4,197.60</b>	<b>-</b>	<b>-</b>	<b>4,882.60</b>	<b>-</b>	<b>-</b>

11.1 Short Term Borrowings

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current maturities of long term debt	Short-term	Total	Current maturities of long term debt	Short-term	Total
Current maturities of long-term debt						
(i) Bonds / debentures (refer Footnote 3)						
- from related parties						
- from other parties	1,850.00		1,850.00	1,360.00		1,360.00
a) 8.50% Redeemable NCD - Series A	620.00		620.00	425.00		425.00
b) 8.75% Redeemable NCD - Series B						
<b>Unsecured – at amortised cost</b>						
(i) Term loans		1,299.34	1,299.34		1,299.34	1,299.34
- from related parties						
<b>Total</b>	<b>2,470.00</b>	<b>1,299.34</b>	<b>3,769.34</b>	<b>1,785.00</b>	<b>1,299.34</b>	<b>3,084.34</b>

11.2 Summary of borrowing arrangements

Footnotes :

1. Security details

Secured against:	As at March 31, 2022		As at March 31, 2021	
	Long-term	Short-term	Long-term	Short-term
	Non-current	Current	Non-current	Current
Non Convertible Debentures (Refer Foot Note: i)	3,365.83	2,470.00	4,050.83	1,785.00
Term Loan (Refer Foot Note: ii)			210.04	
Loans from related parties	210.04			
<b>Total</b>	<b>3,575.87</b>	<b>2,470.00</b>	<b>4,260.87</b>	<b>1,785.00</b>

Foot Note: i

The Company has issued and allotted 8.50% redeemable, listed, rated, secured non-convertible debentures of a nominal value of INR 1,00,000 each on a private placement basis, aggregating to INR 538.00 crores in accordance with the Terms and Conditions ("Senior Financing") and 8.75% redeemable, listed, rated, secured non-convertible debentures of a nominal value of INR 1,00,000 each on a private placement basis, aggregating to INR 177.00 crores in accordance with the Terms and Conditions ("Junior Financing"). The Debentures have the benefit of Security over the Secured Assets. The Debentures comprising the Senior Debentures are issued as Series A Debentures, comprising 10 sub-series of Debentures numbered Series A1 – Series A10. The Debentures comprising the Junior Financing are issued as Series B Debentures, comprising 10 sub-series of Debentures numbered Series B1 – Series B10.

(i) a first ranking pari passu charge over all the Company's tangible moveable properties and assets, both present and future, except the Project Assets;

(ii) a first ranking pari passu charge over all bank accounts of the Issuer including without limitation, the Escrow Account (or any account in substitution thereof) and the Debt Service Reserve Account except the Distribution Account, in all funds from time to time deposited therein and in all Permitted Investments or other securities representing all amounts credited to the Escrow Account and the Debt Service Reserve Account and any other bank accounts of the Company established pursuant to the Transaction Documents, including all revenues and receivables (including Fee) of the Issuer from the Project or otherwise, provided that:

(a) the same shall be applied in accordance with the waterfall of priority of payment as specified in Clause 31 of the Concession Agreement and Clause 4 of the Escrow Agreement, and shall, in no case, exceed beyond the limits set out therein;

(b) the charge over the receivables shall be enforceable by the Debenture Holders or on their behalf, only for the purpose of ensuring that the receivables are credited to the Escrow Account that shall be applied in accordance with the waterfall of priority of payment specified in Clause 31 of the Concession Agreement and Clause 4 of the Escrow Agreement;

(iii) a first ranking pari passu charge/ assignment on all the intangible assets of the Issuer including but not limited to goodwill, rights, undertakings and uncalled capital both present and future, except the Project Assets (as such term is defined in the Concession Agreement), provided that the charge on uncalled capital shall be subject to Clause 5.3, Clause 7.1(k) and Clause 31 of Concession Agreement;

(iv) assignment by way of Security in:

(a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in the Project Agreements;

(b) the right, title and interest of the Issuer in, to and under all the Authorisations;

(c) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in any guarantees, letters of credit, including but not limited to contractor guarantees, liquidated damages and performance bonds that may be provided by any party to the Project Agreements in favour of the Issuer; and

(d) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer under all Insurance Contracts and Insurance Proceeds;

Foot Note: ii

Term loan from holding company is secured by second pari passu charge over all assets other than the project assets





2. The details of Unsecured Redeemable Non-Convertible Debentures [NCDs]:

Series of NCDs	Face value per NCD (₹)	Rate of interest % p.a.	Terms of repayment	Date of redemption	No. of NCDs issued	No. of NCDs outstanding	No. of NCDs outstanding
						As at March 31, 2022	As at March 31, 2021
	1,00,000	8.50	Bullet Repayment	April 14, 2019	2,000.00	2,000.00	2,000.00
Series AIV	1,00,000	8.75	Bullet Repayment	April 14, 2019	700.00	700.00	700.00
Series BIV	1,00,000	8.50	Bullet Repayment	October 14, 2019	2,000.00	2,000.00	2,000.00
Series AV	1,00,000	8.75	Bullet Repayment	October 14, 2019	800.00	800.00	800.00
Series BV	1,00,000	8.50	Bullet Repayment	April 14, 2020	2,000.00	2,000.00	2,000.00
Series AVI	1,00,000	8.75	Bullet Repayment	April 14, 2020	900.00	900.00	900.00
Series BVI	1,00,000	8.50	Bullet Repayment	October 14, 2020	2,500.00	2,500.00	2,500.00
Series AVII	1,00,000	8.75	Bullet Repayment	October 14, 2020	550.00	550.00	550.00
Series BVII	1,00,000	8.75	Bullet Repayment	April 14, 2021	550.00	550.00	550.00
Series BVIII	1,00,000	8.50	Bullet Repayment	April 14, 2021	2,600.00	2,600.00	2,600.00
Series BVIII	1,00,000	8.75	Bullet Repayment	October 14, 2021	750.00	750.00	750.00
Series BIX	1,00,000	8.50	Bullet Repayment	October 14, 2021	2,500.00	2,500.00	2,500.00
Series AIX	1,00,000	8.75	Bullet Repayment	April 14, 2022	2,400.00	2,400.00	2,400.00
Series AX	1,00,000	8.50	Bullet Repayment	April 14, 2022	950.00	950.00	950.00
Series BX	1,00,000	8.75	Bullet Repayment	October 14, 2022	2,500.00	2,500.00	2,500.00
Series AXI	1,00,000	8.50	Bullet Repayment	October 14, 2022	1,000.00	1,000.00	1,000.00
Series BXI	1,00,000	8.75	Bullet Repayment	April 14, 2023	2,500.00	2,500.00	2,500.00
Series AXII	1,00,000	8.50	Bullet Repayment	April 14, 2023	1,100.00	1,100.00	1,100.00
Series BXII	1,00,000	8.75	Bullet Repayment	October 13, 2023	800.00	800.00	800.00
Series BXIII	1,00,000	8.50	Bullet Repayment	October 13, 2023	2,900.00	2,900.00	2,900.00
Series AXIII	1,00,000	8.75	Bullet Repayment	April 12, 2024	2,600.00	2,600.00	2,600.00
Series AXIV	1,00,000	8.50	Bullet Repayment	April 12, 2024	1,000.00	1,000.00	1,000.00
Series BXIV	1,00,000	8.75	Bullet Repayment	October 14, 2024	700.00	700.00	700.00
Series BXV	1,00,000	8.50	Bullet Repayment	October 14, 2024	3,000.00	3,000.00	3,000.00
Series AXV	1,00,000	8.75	Bullet Repayment	April 14, 2025	3,000.00	3,000.00	3,000.00
Series AXVI	1,00,000	8.50	Bullet Repayment	April 14, 2025	850.00	850.00	850.00
Series BXVI	1,00,000	8.75	Bullet Repayment	October 14, 2025	3,000.00	3,000.00	3,000.00
Series AXVII	1,00,000	8.50	Bullet Repayment	October 14, 2025	1,000.00	1,000.00	1,000.00
Series BXVII	1,00,000	8.75	Bullet Repayment	April 14, 2026	1,050.00	1,050.00	1,050.00
Series BXVIII	1,00,000	8.50	Bullet Repayment	April 14, 2026	3,100.00	3,100.00	3,100.00
Series AXVIII	1,00,000	8.75	Bullet Repayment	October 14, 2026	850.00	850.00	850.00
Series BXIX	1,00,000	8.50	Bullet Repayment	October 14, 2026	3,500.00	3,500.00	3,500.00
Series AXIX	1,00,000	8.75	Bullet Repayment	April 14, 2027	3,700.00	3,700.00	3,700.00
Series AXX	1,00,000	8.50	Bullet Repayment	April 14, 2027	750.00	750.00	750.00
Series BXX	1,00,000	8.75	Bullet Repayment	April 14, 2027	750.00	750.00	750.00
Total					2,41,500	60,100	60,100

3. Age-wise analysis and Repayment terms of the Company's Long term Borrowings are as below:

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	₹ in Mn	₹ in Mn	Frequency of Repayment*	Frequency of Repayment*
Less than 1 year	2,470.00	1,785.00	SA	SA
1-3 Years	1,460.00	1,415.00	SA	SA
3 to 5 years	1,635.00	1,515.00	SA	SA
5+ years	445.00	1,295.00	SA	SA
Total	6,010.00	6,010.00		

QT = Quarterly, Y = Yearly, SA = Semi Annually and B = Bullet repayment

Note: Pursuant to the Amendment Agreement dated October 13, 2016 entered between the Promoter IL&FS Transportation Networks Limited ("ITNL") and the Company, the subordinate debt Rs. 500 million given by ITNL to the Company and Short Term Loans to the extent of Rs.1,480 million will not carry interest with effect from October 1, 2016 and provide the right to ITNL to convert the outstanding debt into equity.

a) Unsecured Loan from Promoters & Group companies.

Name of the lenders	Loan amount	Tenor	Interest rate	Repayment Date
IL&FS Transportation Networks Limited	1,299.34	12 months	12.70% - 13.25%	Different Date based on disbursement
IL&FS Transportation Networks Limited	500.00	15 years	0.0%	30th June 2028
IL&FS Transportation Networks Limited	1,480.00	14 years	0.0%	30th June 2028
Total	3,279.34			

b) In view of imposition of moratorium by NCLAT vide its order dated 15th Oct 2018, the company has not not serviced the debt. The period and amount of overdues as on Balance Sheet date in repayment of principal as per debt agreement is as under:

Particulars	Nature of due (Principal)	Amount in Mn	Dues since
NCD DEBENTURES - SERIES A - 538	Principal	200.00	12-Apr-19
NCD DEBENTURES - SERIES B - 177	Principal	70.00	12-Apr-19
NCD DEBENTURES - SERIES A - 538	Interest	194.12	12-Apr-19
NCD DEBENTURES - SERIES B - 177	Interest	62.39	12-Apr-19
NCD DEBENTURES - SERIES A - 538	Principal	200.00	14-Oct-19
NCD DEBENTURES - SERIES B - 177	Principal	80.00	14-Oct-19
NCD DEBENTURES - SERIES A - 538	Interest	188.70	14-Oct-19
NCD DEBENTURES - SERIES B - 177	Interest	60.32	14-Oct-19
NCD DEBENTURES - SERIES A - 538	Principal	200.00	14-Apr-20
NCD DEBENTURES - SERIES B - 177	Principal	90.00	14-Apr-20
NCD DEBENTURES - SERIES A - 538	Interest	178.14	14-Apr-20
NCD DEBENTURES - SERIES B - 177	Interest	56.15	14-Apr-20
NCD DEBENTURES - SERIES A - 538	Principal	250.00	14-Oct-20
NCD DEBENTURES - SERIES B - 177	Principal	55.00	14-Oct-20
NCD DEBENTURES - SERIES A - 538	Interest	169.61	14-Oct-20
NCD DEBENTURES - SERIES B - 177	Interest	52.21	14-Oct-20
NCD DEBENTURES - SERIES A - 538	Principal	260.00	14-Apr-21
NCD DEBENTURES - SERIES B - 177	Principal	55.00	14-Apr-21
NCD DEBENTURES - SERIES A - 538	Interest	158.09	14-Apr-21
NCD DEBENTURES - SERIES B - 177	Interest	49.52	14-Apr-21
NCD DEBENTURES - SERIES A - 538	Principal	250.00	14-Oct-21
NCD DEBENTURES - SERIES B - 177	Principal	75.00	14-Oct-21
NCD DEBENTURES - SERIES A - 538	Interest	147.88	14-Oct-21
NCD DEBENTURES - SERIES B - 177	Interest	47.38	14-Oct-21



12. Other financial liabilities

₹ in Mn

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Interest accrued & Due i) Related Parties		267.64		267.64
<b>Total</b>	-	267.64	-	267.64

13. Other Current liabilities

₹ in Mn

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
(a) Other Advance received		-		-
(b) Others		1.06		1.17
Statutory dues		1.06		1.17
<b>Total</b>	-	1.06	-	1.17

14. Trade payables

₹ in Mn

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
a) Total Outstanding dues of Micro enterprises and Small Enterprises	-	0.08	-	0.35
b) Total Outstanding dues of creditors other than micro enterprises and small Enterprises				
Related Parties	-	326.83	-	366.78
Other	-	14.14	-	14.67
<b>Total</b>	-	341.06	-	381.80

14.1 (a) Trade payables ageing schedule for the year ended as on March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Outstanding dues to MSME	0.08	-	-	-	-	0.08
Outstanding dues to Related Parties	6.05	80.99	2.32	-	237.47	326.83
Outstanding dues to Others	8.83	4.45	-	0.92	0.34	14.53
<b>Sub-total (a)</b>	<b>14.96</b>	<b>85.44</b>	<b>2.32</b>	<b>0.92</b>	<b>237.81</b>	<b>341.45</b>
Accrued Expenses (b)						
<b>Total (a) + (b)</b>	<b>14.96</b>	<b>85.44</b>	<b>2.32</b>	<b>0.92</b>	<b>237.81</b>	<b>341.45</b>

14.1 (b) Trade payables ageing schedule for the year ended as on March 31, 2021

Particulars	Not Due	Outstanding for following periods from due date of				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Outstanding dues to MSME	0.35	-	-	-	-	0.35
Outstanding dues to Related Parties	84.91	7.65	24.63	14.45	235.58	367.22
Outstanding dues to Others	9.66	1.55	2.68	0.22	0.12	14.23
<b>Sub-total (a)</b>	<b>94.92</b>	<b>9.20</b>	<b>27.31</b>	<b>14.67</b>	<b>235.70</b>	<b>381.80</b>
Accrued Expenses (b)						
<b>Total (a) + (b)</b>	<b>94.92</b>	<b>9.20</b>	<b>27.31</b>	<b>14.67</b>	<b>235.70</b>	<b>381.80</b>



15. Current tax assets and liabilities

₹ in Mn

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Current tax assets				
Advance payment of taxes		62.10		30.60
<b>Total</b>	-	<b>62.10</b>	-	<b>30.60</b>
Income Taxes				
Provision for tax	-	-	-	-
Deferred Tax balances	-	-	-	-
<b>Total</b>	-	-	-	-

Foot Note :-

- i) In view of change in Income Tax Act, for then existing clause (iih) of Explanation 1 to sub-section (2) of section 115JB by the Finance (No. 2) Act, 2019, w.e.f. 1-4-2020, Company does not have any MAT Tax liability
- ii) The Deferred Tax Assets/Liability has not been recognised as the same if provided would be reversed in the tax holiday period





16. Income from operations

Particulars	₹ in Mn	
	Year ended March 31, 2022	Year ended March 31, 2021
(a) Operation and maintenance income	73.57	82.92
(b) Finance income	581.61	612.79
(c) Overlay Income	80.58	229.88
(d) Construction Income - Change of Scope	-	15.75
<b>Total</b>	<b>735.76</b>	<b>941.35</b>

17. Other Income

Particulars	₹ in Mn	
	Year ended March 31, 2022	Year ended March 31, 2021
Sales of Scrap	-	0.01
Interest on short term deposit	53.77	29.85
Profit on sale of Mutual Fund	-	-
Gain on disposal of property, plant and equipment	0.00	4.45
Interest on Income Tax Refund	17.06	-
Modification Gain	51.36	51.51
Net gain/(loss) arising on financial assets designated as at FVTPL	122.20	85.82
<b>Total</b>		

18. Operating Expenses

Particulars	₹ in Mn	
	Year ended March 31, 2022	Year ended March 31, 2021
Operation and maintenance expenses	66.60	72.02
Construction cost - Change of Scope	0.69	15.08
<b>Total</b>	<b>67.29</b>	<b>87.10</b>

18.1 Periodic maintenance expenses

Particulars	₹ in Mn	
	Year ended March 31, 2022	Year ended March 31, 2021
Periodic maintenance expenses	72.94	208.09
<b>Total</b>	<b>72.94</b>	<b>208.09</b>

18.2 Employee benefit expense

Particulars	₹ in Mn	
	Year ended March 31, 2022	Year ended March 31, 2021
Salary & Wages	-	-
Deputation Cost	2.11	2.90
<b>Total</b>	<b>2.11</b>	<b>2.90</b>

**Note :-** As the company does not have any employee on its payroll, Costs are recognised based on the amounts charged to the company by the employers of the respective employees based on the period for which the said resources have provided services to the company. Disclosures required to be made in accordance with Indian Accounting Standards (Ind AS 19) on "Employee Benefits" have not been made as such costs are determined by respective employers and separate figures in respect of such resources on the deputation are not available.



19. Finance costs

Particulars	₹ in Mn	
	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest costs		
Interest on Related Party	-	-
Interest on debentures	-	-
(b) Other borrowing costs	0.24	0.24
Finance charges	0.24	0.24
<b>Total</b>		

Foot note : NCLAT vide its order dated March 12, 2020, had upheld its interim order of October 15, 2018. The said order specifies October 15, 2018 as the date of initiation of the Resolution Process of the Company. Accordingly the Company has not accrued any interest, default interest, penal interest and any other similar charges after the said cut off date of October 15, 2018 to March 31st 2021. The same is as under.

Particulars	01-04-2021 to 31-03-22	01-04-2020 to 31-03-21	Total
Interest due to			
Debentures	402.87	456.11	858.98
IL & FS Transportation Networks Ltd (Short Term Loan)	168.14	168.14	336.28
IL & FS Transportation Networks Ltd (Long Term)	96.35	88.12	184.47
	<b>667.36</b>	<b>712.37</b>	<b>1,379.73</b>

20. Depreciation and amortisation expense

Particulars	₹ in Mn	
	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment	-	-
<b>Total depreciation and amortisation</b>		

21. Other expenses

Particulars	₹ in Mn	
	Year ended March 31, 2022	Year ended March 31, 2021
Legal and consultation fees	15.91	15.52
Rates and taxes	0.09	0.74
Repairs and maintenance (Spare Tools)	-	-
Bank commission	0.18	0.36
Communication expenses	-	0.02
Payment to auditors (Refer Note 21.1)	0.93	0.84
Miscellaneous expenses	0.23	0.07
Printing and stationery	0.00	-
Corporate Social Responsibility Exp.	2.17	-
Provision for doubtful debts and receivables	-	0.69
Expenses towards damage & negative cahnge of scope	9.12	288.78
<b>Total</b>	<b>28.65</b>	<b>307.02</b>

21.1 Payments to auditors

Particulars	₹ in Mn	
	Year ended March 31, 2022	Year ended March 31, 2021
a) For audit	0.77	0.69
b) For tax audit	0.15	0.15
c) For reimbursement of expenses	-	-
d) For other services	0.01	-
<b>Total</b>	<b>0.93</b>	<b>0.84</b>

21.2 Expenditure incurred for corporate social responsibility

In terms of Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee has been formed by the Company. The areas for CSR activities as per the CSR policy are (i) Promotion of education, (ii) promoting gender equality and empowering women, (iii) reducing child mortality and improving maternal health, (iv) ensuring environmental sustainability, (v) employment enhancing vocational skills, (vi) social business projects, (vii) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socioeconomic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women and (viii) such other matters as may be prescribed.

In line with Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities, issued by the Institute of Chartered Accountants of India, the disclosure of the CSR expenditure during the year, is as under:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	March 31, 2022	March 31, 2021
(a) Amount required to be spent by the company during the year:	2.17	-
(b) Amount of expenditure incurred	-	-
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason of shortfall *	Refer note below	-
(f) Nature of CSR activities	N.A.	-
(g) details of related party transactions	-	-
(h) CSR liability against contractual obligation if any	-	-
<b>Total</b>	<b>2.17</b>	<b>-</b>

As per section 135(6) of the Companies Act, 2013, the unspent amount is required to be deposited in a designated fund defined under schedule VII within 6 months of the end of the FY. In view of moratorium granted by NCLAT (refer note 27) and Company is required to spend only those expenses which are required to maintain the going concern status, Company was unable to release funds towards CSR during the current financial year.





22. Earnings per share

Particulars	Unit	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the year attributable to owners of the Company	₹ in Mn	686.74	334.59
Weighted average number of equity shares	Number	13,10,00,000	13,10,00,000
Nominal value per equity share	₹	10.00	10.00
Basic / Diluted earnings per share	₹	5.24	2.55



23. Disclosure in respect of Construction Contracts

₹ in Mn

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Contract revenue recognised as revenue during the year	-	-

₹ in Mn

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cumulative revenue recognised	11,105.98	11,105.98

24. Commitments for expenditure

₹ in Mn

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Estimated amount of contracts remaining to be executed on Operation and Maintenance and not provided for	520.04	589.65
(b) Estimated amount of contracts remaining to be executed on Overlay expenses and not provided for	896.39	970.89
<b>Total</b>	<b>1,416.44</b>	<b>1,560.55</b>

25. Contingent liabilities and Letter of awareness and letter of financial support

25.1 Contingent liabilities

₹ in Mn

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Claims against the Company not acknowledged as debt	NIL	NIL



26. Related Party Disclosures

(a) Name of the Related Parties and Description of Relationship:

Nature of Relationship	Name of Entity	Abbreviation used	March 2022	March 2021
Ultimate Holding Company	Infrastruture Leasing & Financial Services	ILFS	√	√
Holding Company	IL&FS Transportation Networks Limited	ITNL	√	√
Fellow Subsidiaries (Only with whom there have been transaction during the period/ there was balance outstanding at the year end)	IL&FS Financial Services Limited	IFIN	√	√
	Elsamex Maintenance Services Limited	EMSL	√	√
Key Management Personnel ("KMP")	Mohit Bhasin	Nominee Director	√	√
	Vijay Kini	Nominee Director	√	√
	Parag Pharse	Nominee Director	√	√
	Vicky Masani	CFO	√	√



## Related Party Disclosures (contd.)

Year ended March 31, 2022

(b) transactions/ balances with above mentioned related parties (mentioned in note 26 above)

₹ in Mn

Particulars	ITNL	ILFS	IFIN	KMP	EMSL	Total
<b>Balance</b>						
Equity share Capital	1,309.87	-	-	-	-	1,309.87
Unsecured Loan - Long Term	1,980.00	-	-	-	-	1,980.00
Unsecured Loan - Short Term	1,299.34	-	-	-	-	1,299.34
Interest Accrued and not due ST	267.64	-	-	-	-	267.64
Prepaid Expenses (Finance Cost)	-	-	-	-	-	-
Trade Payables	283.87	7.79	10.10	-	7.33	309.08
Retention Payable	-	-	-	-	17.75	17.75
Trade Receivable	36.47	-	-	-	-	36.47
<b>Transactions</b>						
Operating Expenses (Other than Construction Cost)	56.67	-	-	-	-	56.67
Finance Cost (transfer from prepaid)	-	-	-	-	-	-
Deputation Cost	2.11	-	-	-	-	2.11
Insurance Claim	0.40	-	-	-	-	0.40
Insurance Premium Recovery	0.13	-	-	-	-	0.13
OPE	-	-	-	-	-	-
Periodic Maintenance Cost (Overlay Exp)	-	-	-	-	72.94	72.94

Footnote :-

Balance confirmation in respect of IL&amp;FS and IFIN are reconciled and are in accordance with claims admitted by CMA.

Year ended March 31, 2021

(b) transactions/ balances with above mentioned related parties (mentioned in note 26 above)

₹ in Mn

Particulars	ITNL	ILFS	IFIN	KMP	EMSL	Total
<b>Balance</b>						
Equity share Capital	1,310.00	-	-	-	-	1,310.00
Unsecured Loan - Long Term	1,980.00	-	-	-	-	1,980.00
Unsecured Loan - Short Term	1,299.34	-	-	-	-	1,299.34
Interest Accrued and not due ST	267.64	-	-	-	-	267.64
Prepaid Expenses (Finance Cost)	-	-	-	-	-	-
Trade Payables	266.57	7.79	10.10	-	31.36	315.82
Retention Payable	-	-	-	-	14.49	14.49
<b>Transactions</b>						
Interest On Short Term Loan	-	-	-	-	-	-
Construction cost - Change of Scope	-	-	-	-	-	-
Operating Expenses (Other than Construction Cost)	59.91	-	-	-	-	59.91
Finance Cost (transfer from prepaid)	-	-	-	-	-	-
Deputation Cost	2.90	-	-	-	-	2.90
Insurance Claim	-	-	-	-	-	-
OPE	-	-	0.02	-	-	0.02
Periodic Maintenance Cost (Overlay Exp)	-	-	-	-	208.09	208.09
						-
						-



**27 Debt Servicing and Interest Accrual :**

In line with the affidavit filed by Ministry of Corporate Affairs (MCA) to the Hon'ble NCLAT on May 21, 2019, the cut-off date of October 15, 2018 ("Cut-Off Date") was proposed, on account of inter alia the fact that the Hon'ble NCLAT had passed wide its order dated March 12, 2020, had upheld its interim order of October 15, 2018, which inter alia granted certain reliefs to the IL&FS Group and also restricted certain coercive actions by the creditors of the IL&FS Group. In terms of the Resolution Framework Reports, the proposal made is that all liabilities relating to the relevant IL&FS Group Entity, whether financial (including interest, default interest, indemnity claims and additional charges), operational debt (including interest, indemnity or other claims) as well as statutory claims (including tax, employment and labour related claims), whether existing at or relating to a period prior to the Cut-Off Date should not continue accruing further interest. Accordingly the Company has not accrued any interest amounting to INR 2411.40 Mn (Upto previous year : INR 1769.23 Million) , default interest, penal interest and any other similar charges after the said cut off date of October 15, 2018.

**28 Going Concern**

Union of India has superseded the earlier board of Holding/Ultimate Holding Company and appointed new Board from October 01, 2018. Entire Group is going through severe financial stress. National Company Law Appellate Tribunal ("NCLAT") had passed an order on October 15, 2018 ("Interim Order") in Company Appeal (AT) 346 of 2018, imposing moratorium on the creditors of IL&FS and its 348 group companies, which includes the Company. Further, NCLAT vide its order dated February 11, 2019 has also classified the Company under the "Amber Category" based on a 12 month cash flow solvency test, which means that the Company is able to meet only financial obligation towards Senior Lenders and operational creditors. In view of this classification and the moratorium order, the Company has stopped servicing financial obligations towards all its financial creditors.

The New Board has incorporated an infrastructure investment trust ("InvIT") under the SEBI InvIT regulations and proposes to transfer the stake held by ITNL along with loans and receivables from the Company to the said InvIT. In furtherance of the same, ITNL has incorporated a wholly owned subsidiary to act as the Sponsor to the InvIT

Pursuant to the aforesaid, management believes that use of the going concern assumption for preparation of these financial results is appropriate as the business operations of the Company will continue in foreseeable future.

**29. Modification Loss / Gain**

Due to deferment of part of the major maintenance cost compared to earlier estimate, a modification gain of Rs 17.06 mn has been recognised for the year (Previous year : modification loss of Rs 87.22 million) in accordance with the principle of IND-AS 109





**HAZARIBAGH RANCHI EXPRESSWAY LIMITED****Notes forming part of Financial Statements for the period ended March 31, 2022****Note - 29.1****Significant terms of Service Concession Arrangements.**

Particulars	Project 1
Brief description of Concession	The Company has entered into a Concession Agreement with National Highways Authority of India (NHAI) on October 08, 2009 to Design, Engineer, Finance, Procure, Construct, Operate and Maintain 4 laning Hazaribagh-Ranchi section of NH-33 from km 40.500 to km 114.000 in the State of Jharkhand on Build, Operate and Transfer (Annuity) basis. The Concession Agreement envisages concession for a period of 18 years commencing from the Appointed date August 01, 2010 including construction period of 910 days required for 4 laning of the Project. The Company is entitled to receive half yearly Annuity of Rs.64.08Cr
Nature of Assets	Financial Asset
Year when SCA granted	2010
Period	18 years
Stage	Under Operation and Maintenance
Premature Termination	Force Majeure or on event of default by either party
Overlay	Has to be incurred as and when the riding quality falls below the standards specified in the Concession Agreement

**30. Segment Reporting**

The company operates in a single business segment viz. Surface Transportation Business. Also it operates in a single geographic segment. In the absence of separate reportable business or geographic segments the disclosures required under the Indian Accounting Standard (INDAS) 108 on 'Operating Segments' are not applicable.

**31. Previous year**

Figures for the previous year have been regrouped, reclassified where necessary, to conform to the classification of the current year.



### 32. Financial instruments

#### 32.1 Capital management

The company manages its capital to ensure that it will be able to continue as going concern while maximising the return to shareholders and also complying with the ratios stipulated in the loan agreements through the optimisation of debt and equity balance.

The capital structure of the company consists of debt (borrowings as detailed in notes ) and equity of the Company (comprising issued capital, reserves and subordinated debt from the immediate Parent Company).

##### 32.1.1 Capital Gearing Ratio

The Debt Service Coverage Ratio at end of the reporting period was as follows.

Particulars	Rs. In Million	
	As at March 31, 2022	As at March 31, 2021
Debt	8,234.58	8,234.58
Cash and Bank Balances	2,350.74	878.36
<b>Net Debt (A)</b>	<b>5,883.84</b>	<b>7,356.23</b>
<b>Equity (B)</b>	<b>796.83</b>	<b>110.09</b>
<b>Net Debt to Equity Ratio in times (A/B)</b>	<b>7.38</b>	<b>66.82</b>

(i) Debt is defined as long-term, current maturity of long term, short term borrowings and interest accrued thereon as detailed in Note 11 & Note 12.

(ii) Total equity is defined as equity share capital and reserves and surplus.

#### 32.2 Categories of financial instruments

Particulars	Rs. In Million	
	As at March 31, 2022	As at March 31, 2021
<b>Financial assets</b>		
<u>Financial Assets measured at amortised cost</u>		
Cash and bank balances	2,350.74	878.36
Receivables under service concession arrangements	5,324.27	6,232.32
Others	1,617.72	1,566.37
<b>Financial liabilities</b>		
<u>Financial Liabilities measured at amortised cost</u>		
Borrowings (including Interest Accrued)	8,234.58	8,234.58
Trade Payables	340.98	381.46

#### 32.3 Financial risk management objectives

The company's financial risks mainly include market risk (interest rate risk), credit risk and liquidity risk.

##### 32.4 Market risk

The company's activities expose it primarily to the financial risks of changes in interest rates.

There has been no significant change to the company's exposure to market risks or the manner in which these risks are managed and measured.

##### 32.4 Interest rate risk management

Company is paying interest at fixed rate. Hence, does not exposed to interest risk management.

The company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

##### 32.4.1 Interest rate sensitivity analysis

Company is paying at fixed interest rate, the interest rate sensitivity is not applicable.

##### 32.5 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties. The Management believes that the credit risk is negligible since its main receivable is from the grantors of the concession which is a government authority.



### 32.6 Liquidity risk management

#### 32.6.1 Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate prevailing at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

Particulars	As at March 31, 2022			As at March 31, 2021		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Less than 1 year	340.98	-	-	381.80	-	-
1-3 Years	-	-	5,860.40	-	-	4,904.32
3 to 5 years	-	-	1,889.33	-	-	1,902.49
5+ years	831.77	-	463.94	831.77	-	1,406.86
<b>Total</b>	<b>1,172.75</b>	<b>-</b>	<b>8,213.67</b>	<b>1,213.57</b>	<b>-</b>	<b>8,213.67</b>
Carrying Value	1,172.75	-	7,402.81	1,213.57	-	7,402.46
Weighted Average Interest Rate	0.00%	0%	10.06%	0.00%	0.00%	10.06%

The following table details the company's expected maturity for its financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on financial assets is necessary in order to understand the company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	As at March 31, 2022			As at March 31, 2021		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Less than 1 year	99.33	-	925.11	61.22	-	1,430.84
1-3 Years	-	-	2,546.99	-	-	2,398.19
3 to 5 years	-	-	834.39	-	-	834.39
5+ years	0.85	-	1,568.91	0.85	-	1,568.91
<b>Total</b>	<b>100.18</b>	<b>-</b>	<b>5,875.40</b>	<b>62.06</b>	<b>-</b>	<b>6,232.32</b>
Carrying Value	100.18	-	5,324	62.06	-	6,232

The amounts included above for variable interest rate instruments for financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

#### 33.6.2 Financing facilities

As at the reporting date there are no unused bank overdraft facilities and bank loan facilities which may be extended by mutual agreement.

### 32.7 Fair value measurements

#### 32.7.1 Fair value measurements

This note provides information about how the company determines fair values of various financial assets and financial liabilities.

#### 32.7.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

	As at March 31, 2022		As at March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Financial assets at amortised cost	5,324.27	5,324.27	6,232.32	6,232.32
Receivables under service concession arrangements	5,324.27	5,324.27	6,232.32	6,232.32
<b>Financial liabilities</b>				
Financial liabilities held at amortised cost	8,234.58	8,234.58	8,234.58	8,234.58
Borrowings (including Interest Accrued)	8,234.58	8,234.58	8,234.58	8,234.58



# HAZARIBAGH RANCHI EXPRESSWAY LIMITED

## Notes forming part of Financial Statements for the period ended March 31, 2022

### 33. Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	31st March 2022	31st March 2021	Variance	Remarks
Current Ratio	Total Current assets	Total Current liabilities	1.21	1.05	15%	
Debt – Equity Ratio	Total Debt (1)	Total Equity	10.00	72.37	-86%	(a)
Debt Service Coverage Ratio #	Earnings available for debt service(2)	Debt Service(3)	#	#		
Return on Equity (ROE)	Net Profits after taxes	Average Total Equity	151%	-585%	-126%	(b)
Trade receivables turnover ratio	Revenue	Average Trade Receivable	\$	\$		
Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	0.39	0.86	-55%	(c)
Net capital turnover ratio	Revenue from operations	Working Capital	0.80	4.94	-84%	(d)
Net profit ratio	Net Profit for the year	Revenue from operations	93%	36%	163%	(e)
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed(4)	10%	5%	85%	(f)
Return on Investment(ROI)	Income generated from investments	Average investments	3%	3%	-4%	

(1)Debt represents total debt value as per financial

(2) Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.

(3)Project debt payments (Interest payments + Principal repayments) for the current year

(4) Tangible net worth + deferred tax liabilities + project debt

# In view of the moratorium granted by NCLAT, no debt serviced since October 15, 2018

\$ - Not applicable under IND-AS, being annuity project and revenue is recognised as per IND-AS 115

(a) In view of the moratorium granted by NCLAT, no debt serviced and movement is only on account of profit for the year

(b) Increased PAT compared to previous year, as previous year had one time expenses of Rs 288.78 Mn towards damages & negative change of scope and also increased profit as no interest cost recognised in view of the NCLAT order, has resulted in an major variation in the ratio.

(c) Previous consist of higher incurrence of cost towards major maintenance offset by no movement in trade payable outstanding as at Oct 15, 2018 in view NCLAT order

(d) In view of the moratorium granted by NCLAT, no debt serviced since October 15, 2018. This has resulted in increase in cash balance which is a part of working capital. Additionally, previous consist of higher incurrence of cost towards major maintenance. This has resulted in an major variation in the ratio.

(e) Increased PAT compared to previous year, as previous year had one time expenses of Rs 288.78 Mn towards damage & negative change of scope and also previous year consist of higher incurrence of cost towards major maintenance. This has resulted in an major variation in the ratio.

(f) Higher profit for the reason, as explained in note (b) & (e) has resulted in an major variation in the ratio.





**34. Order of NCLT for re-opening and re-casting of financial statements :**

The National Company Law Tribunal ("NCLT"), vide order dated January 1, 2019, had allowed a petition filed by the Union of India, for re-opening of the books of accounts and re-casting the financial statements under the provisions of Section 130 of the Companies Act, 2013 for the financial years from 2012-13 to 2017-18, of Infrastructure Leasing & Financial Services Limited ("IL&FS"), and its subsidiaries namely IL&FS Financial Services Limited ("IFIN") and IL&FS Transportation Network Limited ("ITNL"), the holding Company.

The Company's financial statement are not subject to any reopening/recasting and it is expected that impact, if any, arising out of the said reopening / recasting would be limited to above mentioned three entities only. Hence, Company is not envisaging any adjustment in financial statement in this regard

**35. Investigations by Serious Fraud Investigation Office ("SFIO") and other regulatory agencies :**

The Ministry of Corporate Affairs (MCA), Government of India, has vide its letter dated October 1, 2018 initiated investigation by Serious Fraud Investigation Office (SFIO) against IL&FS (ultimate holding company) and its group companies under Section 212 (1) of the Companies Act, 2013. As a part of investigation of affairs of ITNL (the Holding Company), SFIO has also been seeking from ITNL various information including relating to project undertaken by the Company (for which ITNL acted as Development Contractor and promoter). The investigation is in progress and it is understood that the relevant information is being provided by ITNL to the agency. At this stage, no material impact/ implications had arisen from the aforesaid developments. However, an uncertainty relating to the future outcome of the regulatory actions is not determinable at this stage

**36. Forensic Examination :**

The New Board of IL & FS (ultimate holding Company) in January 2019 initiated a forensic examination for the period from April 2013 to September 2018 in relation to the certain Companies of the Group and appointed an independent third party for performing the forensic audit and to report the findings to the Board of Directors of IL&FS. The Company is not in the list of Companies identified by the New Board for forensic audit and hence no such specific audit of the affairs of the Company has been conducted. The independent third party had submitted their interim report in relation to the audit of ITNL (the Holding company) and its project related activities and the observations contained therein related primarily to the operations of ITNL. The said report was discussed by the Board of ITNL and is being dealt with in manner deemed fit by the Board of the Holding company.

Observations made by the independent third party relating to the project undertaken by the Company, was presented to the Company's Board during the current financial year. After review of the observations, the Board is of the view that no adjustments are required in these financial statements for any consequential effects / matters that may arise from the said report.

The independent third party has conducted further audit procedures and submitted an additional report to ITNL. The said report is available in public domain. Since the audit is primarily relating to operation of the holding company, Company is not envisaging any adjustment in the financial statement in this regard





HAZARIBAGH RANCHI EXPRESSWAY LIMITED

Notes forming part of Financial Statements for the period ended March 31, 2022

37. Creditors Claim Process :

Pursuant to the "Third Progress Report – Proposed Resolution Framework for the IL&FS Group" dated 17 December, 2018 and the "Addendum to the Third Progress Report – Proposed Resolution Framework for IL&FS Group" dated January 15, 2019 ("Resolution Framework Report") submitted by the Company to the Ministry of Corporate Affairs, Government of India which, in turn, was filed with the Hon'ble National Company Law Appellate Tribunal ("NCLAT"), the creditors of the Company were invited (via advertisement(s) dated May 22, 2019) to submit their claims as at October 15, 2018 with proof, on or before 5 June, 2019 (later extended till February 5, 2020)) to a Claims Management Advisor ("CMA") appointed by the IL&FS Group. The amounts claimed by the financial and operational creditors are assessed for admission by the CMA.

The CMA, vide their various communications to the management of the Company, have submitted their report on the status of the claims received and its admission status. The report is subject to Updation based on additional information / clarification that may be received from the creditors in due course.

Management of the Company has reviewed the claims made by third parties with the CMA, and reconciled them with the books of accounts and accounted in the books of accounts appropriately

38. Non-compliance of applicable laws and regulations :

The Company is not in compliance with the Companies Act 2013, as applicable to the Company. These non compliances pertain filings with Regulators and appointment of Key Management personnel. These do not have an impact on financial reporting.

39. Additional Regulatory Information required as per Schedule III:

a) The Company does not have Immovable Property whose title deed are not held in the name of Company .

b) The Company does not have any investment property, hence the requirement regarding disclosure and valuation by a registered valuer as defined under rule 2 of Companies ( Registered Valuers and Valuation) Rules, 2017 is not applicable.

c) The Company has not revalued its Property, Plant and Equipment ( including Right of Use assets) or intangible assets or both during the year.

d) The Company has not given any Loans or advances in the nature of loans to specified persons.

e) The Company does not have any capital work in progress and intangible assets under development

f) Benami property : There are no proceedings being initiated or are pending against the Company for holding any benami property under the Benami Transactions ( Prohibition) Act, 1988(45 of 1988) and rules made thereunder.

g) The Company had issued secured (including the security of current assets.) listed non-convertible debentures in FY 2016-17 which were subscribed by banks and Financial Institution. Company is not required to file any monthly or quarterly returns, except the intimation of quarterly results to stock exchanges

h) Wilful Defaulter : The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

i) The Company does not have any transactions or relationship with Struck Off Companies.

j) The Company has Registered all the charges against its assets with Registrar of Companies (ROC) . There were no satisfaction of charge with ROC is pending as on March 31, 2022.

k) The Company does not have any subsidiary company or step down companies .

l) Detailed Ratio analysis given in note number 33.

m) There are no Scheme of Arrangements during the year.

n) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ties), including foreign entities ( Intermediaries) from borrowed funds or share premium or any other source or kind of funds.



HAZARIBAGH RANCHI EXPRESSWAY LIMITED

Notes forming part of Financial Statements for the period ended March 31, 2022

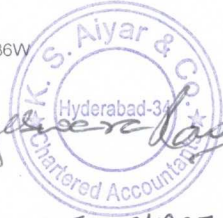
- o) Additional information to be disclosed by way of Notes to Statement of Profit and Loss.
- i) The Company does not have any undisclosed income as on March 31, 2022.
- ii) The Company has not traded or invested in any kind of Crypto Currency or Virtual Currency.

40. Approval of financial statements

The Financial statements were approved for issue by the Board of Directors on 27th May 2022

In terms of our report attached.  
For K S Aiyar & Co  
Chartered Accountants  
Firm's Registration No.100186W

  
G C Nageswara Rao  
Partner  
M No 206784  
UDIN:29206784AKT0PA4987



Amit Prakash  
Manager

Place: Hyderabad  
Date: 27/05/2022

For and on behalf of the Board

  
Vijay Kini  
Director  
Din:06612768

  
Vicky Masani  
Chief Financial Officer  
Place: Mumbai  
Date :27.05.2022

  
Parag Phanse  
Director  
Din: 08388809

  
Priyanka Upadhyay  
Company Secretary