

FINANCIAL STATEMENT  
2018-2019

**BADARPUR FARIDABAD TOLLWAY LIMITED**



**INDEPENDENT AUDITOR'S REPORT**

**To the Members of  
BADARPUR FARIDABAD TOLLWAY LIMITED**

**Report on the audit of the Standalone Ind AS Financial Statements**

**Opinion**

We have audited the Standalone Ind AS financial statements of **Badarpur Faridabad Tollway Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss, changes in equity and its cash flows for the year ended on that date.

**Basis for 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 Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material Uncertainty Related to Going Concern**

We draw attention to Note 36 in the financial statements, which indicates that the Company incurred a cumulative net loss of Rs. 52,404.88 lakhs up to March 31<sup>st</sup>, 2019 resulting in negative net-worth of the Company. Consequent to the intention to issue by the company vide letter dated 31.03.2017, the company issued the Termination Notice to NHAI on 01.09.2017, terminating the Concession Agreement (CA) of the Project entered into by the Company with NHAI dated 04.09.2008 due to various reasons mentioned therein and demanded Termination Payment of Rs. 775 cr. The NHAI refuted the Termination initiated by Company. NHAI in turn, issued suspension Notice dated 28.08.2017 and took over the project. Subsequent to its Suspension Notice, the NHAI Terminated the CA vide letter dated 23.02.2018. The Company refuted NHAI's termination stating that NHAI's termination is invalid, as the Company had already terminated CA vide Termination Notice dated 01.09.2017. Company has referred termination Dispute for resolution as per Dispute Resolution Procedure (Arbitration) provided in the Concession Agreement (CA). Based on legal advice obtained in this respect, the company has represented that it is confident of recovering the amount from NHAI and therefore has accounted the same under current financial assets under note no 10 of the financial statements. Despite negative net-worth, the management views the entity as going concern. These conditions indicate existence of material uncertainty that may cast significant doubt about the company's ability to continue as a going



concern. These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

### **Emphasis of Matter**

Attention is drawn to Note No 18 & 34 to the financial statements, Canara Bank has vide letter dated 31<sup>st</sup> October 2018 has recalled entire amount of financial assistance extended to the company. As per the cited letter, Bank has mentioned an amount of Rs. 90,296.00 lakhs as total dues outstanding as on 31.10.2018. Whereas per books of accounts of the company, total outstanding dues to lenders as at 31<sup>st</sup> March, 2019 are Rs. 61,704.21 lakhs. Pending reconciliation of outstanding dues to the lenders, difference amount has been disclosed as contingent liability.

Our opinion is not modified in respect of these matters.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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



the Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. However **certificates/ confirmations of balance with banks held in current accounts and Term Deposits account were not available.**
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) The termination of concession agreement by the Company on 01.09.2017 as referred in **Material Uncertainty Related to Going Concern** paragraph, if not resolved satisfactorily will have an adverse effect on the functioning of the company
  - f) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year so the provisions of section 197 of the Act are not applicable.



- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company has disclosed pending litigations as mentioned in Note No 34 to the financial statements which would impact its financial position;
  - ii. The Company does not envisage any material foreseeable losses in long-term contracts including derivative contract requiring provision;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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



R. K. Agrawal  
(Partner)  
(M No. 085671)

Place: New Delhi  
Date: 07.05.2019

**Annexure 'A' to the Independent Auditor's Report of Badarpur Faridabad Tollway Limited for the Year ended as on 31<sup>st</sup> March 2019**

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



- i. a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- b. The Fixed Assets have been physically verified by the Management at regular Intervals and no material discrepancies were noticed on such verification.
- c. The company has no immovable properties as on 31.3.2019.
- ii. As the company is engaged in the business of infrastructure development, operations and its maintenance and there is no inventory in hand at any point of time, hence paragraph 3(ii) of the Order is not applicable to the company.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liabilities partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, reporting under clause (a) to (c) of Para 3(iii) are not applicable
- iv. The Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185 and 186 of the Companies Act, 2013. Therefore the paragraph 3(iv) of the Order is not applicable to the company.
- v. The Company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company.
- vi. The Company is prima-facie maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has been generally regular in depositing undisputed statutory dues including provident fund, employee state insurance, income tax, service tax, value added tax, cess and other statutory dues during the year with the appropriate authorities. As on 31st March 2019, there are no undisputed statutory dues payables for period exceeding for a period more than six month from the date they become payable .
- b. According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues which have not been deposited on account of dispute.



- viii. The lenders have recalled entire financial assistance extended by them to the Company. The company has not taken any loans or borrowings from Government and not issued any debenture during the year.
- ix. Money raised by way of term loans were applied for the purpose for which it was raised. The Company has not raised money by way of initial public offer or further public offer.
- x. According to the information and explanation given to us by the management which have been relied by us, there were no frauds on or by the company noticed or reported during the period under audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not paid any managerial remuneration, hence paragraph 3(xi) of the order is not applicable to the company.
- xii. The Company is not a Nidhi Company and hence clause 3 (xii) of the Companies (Auditor's Report) Order 2016 is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: New Delhi  
Date: 07.05.2019

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



R. K. Agrawal  
(Partner)  
(M No. 085671)



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

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

We have audited the internal financial controls over financial reporting of **Badarpur Faridabad Tollway Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 Standalone Ind AS financial statements, whether due to fraud or error.

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



### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS 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 Standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Ind AS financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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.

Place: New Delhi  
Date: 07.05.2019

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



  
R. K. Agrawal  
(Partner)  
(M No. 085671)

**Bajajpur Faridabad Tollway Limited**

CIN :U45203MH2008PLC184750

**Balance Sheet as at March 31,2019**

(All amounts are in Rs lakhs, unless stated otherwise)

| Particulars  | Note | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|--|------|-----------------------|-------------------------|
| <b>ASSETS</b>  |      |                       |                         |
| <b>Non-current assets</b>  |      |                       |                         |
| Property, Plant and Equipment  | 3    | 5.18                  | 12.54                   |
| <b>Financial Assets</b>  |      |                       |                         |
| Other Financial Assets   | 4    | 671.72                | 766.48                  |
| Non Current Tax Assets (Net)   | 5    | 19.50                 | 19.46                   |
| Other non - current assets   | 6a   | -                     | 10.77                   |
| <b>Current assets</b>  |      |                       |                         |
| <b>Financial Assets</b>  |      |                       |                         |
| Investments  | 7    | 44.64                 | 41.53                   |
| Trade receivables  | 8    | 208.00                | 208.00                  |
| Cash and cash equivalents  | 9    | 1,721.23              | 1,805.81                |
| Other financial asset  | 10   | 34,043.63             | 34,043.27               |
| Current Tax Assets (Net)   |      |                       |                         |
| Other current assets   | 6b   | 76.23                 | 20.91                   |
| <b>Total Assets</b>  |      | <b>36,790.13</b>      | <b>36,928.77</b>        |
| <b>EQUITY AND LIABILITIES</b>  |      |                       |                         |
| <b>EQUITY</b>  |      |                       |                         |
| Equity share capital   | 11   | 9,800.00              | 9,800.00                |
| <b>Other equity</b>  |      |                       |                         |
| Capital contribution from holding Company                              | 12   | 14,674.72             | 14,674.72               |
| Reserves and surplus   | 13   | (52,404.88)           | (46,088.38)             |
| <b>Total equity</b>  |      | <b>(27,930.17)</b>    | <b>(21,613.66)</b>      |
| <b>LIABILITIES</b>   |      |                       |                         |
| <b>Non-current liabilities</b>   |      |                       |                         |
| Financial Liabilities  |      |                       |                         |
| Borrowings   | 14   | -                     | 45,815.57               |
| Other financial liabilities  | 15   | -                     | -                       |
| Provisions   | 16   | -                     | -                       |
| <b>Current liabilities</b>   |      |                       |                         |
| Financial Liabilities  |      |                       |                         |
| Borrowings   | 14   | -                     | -                       |
| Trade payables   | 17   | 513.76                | 526.94                  |
| Other financial liabilities  | 18   | 62,552.64             | 10,580.92               |
| Other current liabilities  | 19   | 0.32                  | 4.69                    |
| Provisions   | 20   | 1,653.57              | 1,614.31                |
| Current Tax Liabilities (Net)  |      |                       |                         |
| <b>Liabilities associated with group(s)of assets held for disposal</b> |      | <b>-</b>              | <b>-</b>                |
| <b>Total Equity and Liabilities</b>                                    |      | <b>36,790.13</b>      | <b>36,928.77</b>        |

The accompanying notes are an integral part of the financial statements.

As per our report of even date

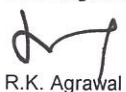


Manish Khanna  
Director  
DIN No: 00703416

**For Gianender & Associates**

Chartered Accountants

ICAI Registration No. 0466114

  
R.K. Agrawal

Partner  
Membership No.:085671



  
Kiran Kakkar  
Chief Financial Officer



Ravindra Kumar Singh  
Director  
DIN No: 02992019



Firoz Navroze Deboo  
Manager



Rupali Vaidya  
Company Secretary

Place: New Delhi

Date: 07/05/19

Place: Mumbai

Date: 07/05/19

**Badarpur Faridabad Tollway Limited**

CIN :U45203MH2008PLC184750

**Statement of Profit and Loss for the year ended 31st March, 2019**

(All amounts are in Rs lakhs, unless stated otherwise)

| Particulars   | Note | Year ended<br>March 31, 2019 | Year ended March<br>31, 2018 |
|---|------|------------------------------|------------------------------|
| Revenue from Operations   | 21   | 0.00                         | 3,607.34                     |
| Other Income  | 22   | 10.52                        | 13.38                        |
| <b>Total Income (I)</b>   |      | <b>10.52</b>                 | <b>3,620.72</b>              |
| <b>Expenses</b>   |      |                              |                              |
| Employee benefits expense   | 23   | 6.05                         | 59.38                        |
| Finance costs   | 24   | 6,218.76                     | 6,020.83                     |
| Depreciation and amortization expense   | 25   | 7.35                         | 2,846.31                     |
| Other expenses  | 26   | 94.86                        | 1,583.72                     |
| <b>Total expenses (II)</b>  |      | <b>6,327.02</b>              | <b>10,510.24</b>             |
| Share of net profit of associates and joint venture accounted for using equity method |      | -                            | -                            |
| <b>Profit / (loss) before exceptional items and tax. III ( I - II )</b>               |      | <b>(6,316.50)</b>            | <b>(6,889.52)</b>            |
| Exceptional Items - Income  | 27   | -                            | 2,261.70                     |
| <b>Profit / (loss) before tax.V (III -IV)</b>   |      | <b>(6,316.50)</b>            | <b>(4,627.82)</b>            |
| <b>Income tax expenses (VI)</b>   |      |                              |                              |
| Current tax   |      | -                            | -                            |
| Deferred tax charge/(credit)  |      | -                            | -                            |
| <b>Other Comprehensive Income (OCI)</b>   |      |                              |                              |
| Items not to be reclassified subsequently to profit or loss                           |      |                              |                              |
| - Gain/(Loss) on fair value of defined benefit plans as per actuarial valuation       |      | -                            | (0.10)                       |
| - Income Tax Effect on above  |      | -                            | -                            |
| Items to be reclassified subsequently to profit or loss                               |      | -                            | -                            |
| <b>Other Comprehensive Income for the period, net of tax</b>                          |      | <b>-</b>                     | <b>-</b>                     |
| <b>Total Comprehensive Income for the period, net of tax (B)</b>                      |      | <b>-</b>                     | <b>-</b>                     |
| <b>Profit/(Loss) for the period. VII( V- VI)</b>                                      |      | <b>(6,316.50)</b>            | <b>(4,627.72)</b>            |
| <b>Earnings per equity share of Rs. 10 each</b>                                       |      |                              |                              |
| Basic   | 28   | (6.45)                       | (4.72)                       |
| Diluted   |      | -                            | -                            |

The accompanying notes are an integral part of these financial statements

As per our report of even date




Manish Khanna  
Director  
DIN No: 00703416

For Gianender & Associates

Chartered Accountants

ICAI Registration No. 04661M

  
R.K. Agrawal  
Partner  
Membership No.:085671





Kiran Kakkar  
Chief Financial Officer

  
Firoz Navroze Deboo  
Manager

  
Rupali Vaidya  
Company Secretary



Ravindra Kumar Singh  
Director  
DIN No : 02992019

Place: New Delhi  
Date: 07/05/19

Place: Mumbai  
Date: 07/05/19

Badarpur Faridabad Tollway Limited  
CIN :U45203MH2008PLC184750

Cash flow statement for the year ended 31st March,2019  
(All amounts are in Rs lakhs, unless stated otherwise)

| Particulars  | Year ended<br>March 31, 2019 | Year ended<br>31 March 2018 |
|--|------------------------------|-----------------------------|
| <b>A Cash Flow from operating activities</b>                                 |                              |                             |
| Profit before income tax including discontinued operations                   | (6,316.50)                   | (4,627.82)                  |
| Adjustments for  |                              |                             |
| Add:   |                              |                             |
| Depreciation and amortisation expenses                                       | 7.35                         | 2,846.31                    |
| Finance costs  | 6,121.20                     | 6,020.83                    |
| Less:  |                              |                             |
| Interest Income  | (0.42)                       | (0.63)                      |
| Miscellaneous Income   | -                            | (5.89)                      |
| Gain on investment   | (3.11)                       | (2.61)                      |
| Change in operating assets and liabilities                                   |                              |                             |
| (Increase)/decrease in trade receivables                                     | -                            | 12.22                       |
| (Increase)/decrease in other financial assets(Current)                       | (0.37)                       | 1.36                        |
| (Increase)/decrease in other financial assets(Non-Current)                   | 105.53                       | 94.57                       |
| (Increase)/decrease in other current assets                                  | (55.40)                      | 21.19                       |
| Increase/(decrease) in trade payables  | (13.00)                      | 1.14                        |
| Increase/(decrease) in other financial liabilities                           | 35.46                        | (1,059.15)                  |
| Increase/(decrease) in provisions  | 39.26                        | (588.92)                    |
| Increase/(decrease) in other current liabilities                             | (4.38)                       | (142.42)                    |
| Cash generated from operations   | (84.38)                      | 2,570.18                    |
| Income taxes paid / Refund   | (0.04)                       | 13.93                       |
| <b>Net cash inflow from operating activities</b>                             | <b>(84.42)</b>               | <b>2,584.11</b>             |
| <b>B Cash flow from investing activities:</b>                                |                              |                             |
| Purchase of property, plant and equipment/ intangible assets                 | -                            | (1.37)                      |
| Proceeds from sale of investments  | -                            | 1.75                        |
| Profit on sale of investment   | -                            | 2.61                        |
| Interest received  | 0.42                         | 0.63                        |
| <b>Net cash outflow from investing activities</b>                            | <b>0.42</b>                  | <b>3.62</b>                 |
| <b>C Cash flow from financing activities</b>                                 |                              |                             |
| Finance Charges  | (0.49)                       | (1,186.27)                  |
| <b>Net cash inflow (outflow) from financing activities</b>                   | <b>(0.49)</b>                | <b>(1,186.27)</b>           |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                  | <b>(84.60)</b>               | <b>1,401.34</b>             |
| Add: Cash and cash equivalents at the beginning of the financial year        | 1,805.81                     | 404.47                      |
| <b>Cash and cash equivalents at the end of the period</b>                    | <b>1,721.23</b>              | <b>1,805.81</b>             |
| <b>Reconciliation of Cash Flow statements as per the cash flow statement</b> |                              |                             |
| Cash Flow statement as per above comprises of the following                  | <b>31 March 2019</b>         | <b>31 March 2018</b>        |
| Cash and cash equivalents  | 1,721.23                     | 1,805.81                    |
| Bank overdrafts  | -                            | -                           |
| <b>Balances as per statement of cash flows</b>                               | <b>1,721.23</b>              | <b>1,805.81</b>             |
| The accompanying notes are an integral part of the financial statements.     |                              |                             |

As per our report of even date

For Gianender & Associates  
Chartered Accountants

ICAI Registration No. 0466/19

R.K. Agrawal  
Partner

Membership No : 085671



*(Signature)*

Kiran Kakkar  
Chief Financial Officer

*(Signature)*  
Firoz Navroze Deboo  
Manager

*(Signature)*

Rupali Vaidya  
Company Secretary

*(Signature)*

Manish Khanna  
Director  
DIN No 00703416

*(Signature)*  
Ravindra Kumar Singh  
Director  
DIN No : 02992019

Place : New Delhi

Date : 07/05/19

Place : Mumbai

Date : 07/05/19

*(Signature)*

Badarpur Faridabad Tollway Limited  
 CIN :U45203MH2008PLC184750  
 Notes to the financial statements for the year ended 31st March,2019  
 (All amounts are in Rs lakhs, unless stated otherwise)


|          |                                 |          |
|----------|---------------------------------|----------|
| <b>A</b> | <b>Equity share capital</b>     |          |
|          | As at 1st April 2018            | 9,800.00 |
|          | changes in equity share capital | -        |
|          | Balance as at 31st March,2019   | 9,800.00 |

|          |   |      |                      |   |                    |
|----------|---|------|----------------------|---|--------------------|
| <b>B</b> | <b>Statement of changes in equity</b>   |      |                      |   |                    |
|          | Particulars                             | Note | Reserves and Surplus |   |                    |
|          |   |      | Capital Reserve      | Subordinate Debt<br>Classified as<br>Equity | Retained Earnings  |
|          | <b>Balance as at 1st April, 2018</b>    |      | <b>1,140.54</b>      | <b>13,534.13</b>                            | <b>(46,088.38)</b> |
|          | Loss for the year                       |      | -                    | -   | (6,316.50)         |
|          | Capital Contribution                    |      | -                    | -   | -                  |
|          | Other Comprehensive Income for the year |      | -                    | -   | -                  |
|          | Total Comprehensive Income for the year |      | -                    | -   | (6,316.50)         |
|          | Transfer to retained earnings           |      | -                    | -   | -                  |
|          | <b>Balance as at 31st March,2019</b>    |      | <b>1,140.54</b>      | <b>13,534.13</b>                            | <b>(52,404.88)</b> |

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
 For Gianender & Associates  
 ICAI Registration No. 04661N

R.K. Agrawal  
 Partner  
 Membership No.:085671



  
 Kiran Kakkar  
 Chief Financial Officer

  
 Firoz Navroze Deboo  
 Manager

  
 Rupali Vaidya  
 Company Secretary

  
 Manish Khanna  
 Director  
 DIN No:00703416

  
 Ravindra Kumar Singh  
 Director  
 DIN No : 02992019

Place:New Delhi  
 Date: 07/05/19

Place:Mumbai  
 Date: 07/05/19



**Badarpur Faridabad Tollway Limited**

**Notes to the financial statements for the year ended 31st March, 2019**

**(c) Government grant:**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment (if any) are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

**(d) Accounting of intangible assets under Service Concession arrangement:**

Company has Toll Road Concession rights where it Designs, Build, Finances, Operates and transfer (DBFOT) infrastructure used to provide public service for a specified period of time. These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

These arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the Company receives a right (a license) to charge users of the public service. The financial asset model is used when the Company has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the Company performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

**(e) Intangible asset model:**

The Company recognises an intangible asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. An intangible asset received as Consideration for providing construction or upgrade services in a service concession arrangement is measured at fair value on initial recognition by reference to the fair value of the services provided. Subsequent to initial recognition, the intangible asset is measured at cost, which includes capitalised borrowing costs, less accumulated amortisation.

The estimated useful life of an intangible asset in a service concession arrangement is the period from when the Company is able to charge the public for the use of the infrastructure to the end of the concession period.

**(f) Amortization of concession intangible assets:**

Amortization is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

**(g) The financial assets model:**

The Company recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from grantor for the construction or upgrade services provided. Such financial assets are measured at fair value on initial recognition and classified as loans and receivables.

Subsequent to initial recognition, the financial assets are measured at amortised cost. Under this model financial asset will be reduced as an when grant has received from grantor.



**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March,2019**

(h) **Property, plant and equipment:**

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Depreciation is provided as per the useful lives of the assets as per schedule II of Companies Act, 2013 using Straight Line Method (SLM).

(i) **Investment property:**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Transition to Ind AS:

Company has classified its freehold land under Investment property which were earlier classified under Fixed Asset under previous GAAP.

(j) **Financial Instruments:**

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

(k) **Financial Assets:**

**(1) Initial Recognition**

In the case of financial assets not recorded at fair value through profit or loss, financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.





**Badarpur Faridabad Tollway Limited**

**Notes to the financial statements for the year ended 31st March,2019**

**(2) Subsequent Measurement**

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

**Financial Assets at Amortised Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective rate interest ("EIR") method. Impairment gains or losses arising on these assets are recognised in Statement of Profit and Loss.

**(3) Financial Assets Measured at Fair Value**

Financial assets are measured at fair value through other comprehensive income ("OCI") if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Company on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

Financial asset not measured at amortised cost or at fair value through OCI is carried at fair value through profit or loss.

**(4) Impairment of Financial Assets**

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

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

**(5) De-recognition of Financial Assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. 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 assets 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 recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**(l) Equity Instruments and Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.



**Badarpur Faridabad Tollway Limited**

**Notes to the financial statements for the year ended 31st March, 2019**

**(1) Equity instruments**

(i) The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

(ii) Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**(2) Financial Liabilities**

**(i) Initial Recognition**

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

**(ii) Subsequent Measurement**

The measurement of financial liabilities depends on their classification, as described below

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

**(iii) Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Financial Liabilities are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**(iv) De-recognition of Financial Liabilities**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**(v) Offsetting Financial Instruments**

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



**Badarpur Faridabad Tollway Limited**

**Notes to the financial statements for the year ended 31st March,2019**

(m) **Cash and cash equivalents:**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(n) **Income Tax:**

**Current Income Tax**

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

The Company does not have taxable income and hence no provision for current tax has been made.

**Deferred Tax**

Deferred Tax Asset shall be recognised for the carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

The Company is eligible for deduction under Section 80- IA of the Income Tax Act, 1961 and the concession period of the Company's project falls within the tax holiday period as defined in Section 80-IA. Since deferred tax on timing differences between Accounting income and Taxable income that arise during the year is reversing during such tax holiday period, no deferred tax asset or liability arises and accordingly no provision is made in the accounts.

(o) **Impairment of Assets:**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are companyed at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or companys of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.



**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March, 2019**

(p) **Segment reporting:**

The Company's operations constitutes a single business segment namely "Infrastructure Development" as per Ind As 108, further the Company's operation are within single geographical segment which is India.

(q) **Borrowings Cost:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(r) **Other Financial Asset - Financial guarantee contract:**

Under Ind AS, the financial guarantee given by a Holding company to the lender on behalf of the Company for its borrowings are recognised initially at fair value which is subsequently amortised as an interest expense to the Statement of Profit and Loss. This transaction was not recorded under the previous GAAP.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee.

(s) **Provisions and Contingent Liabilities:**

Provisions for legal claims are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

(t) **Earnings per share:**

Basic Earnings per share is calculated by dividing the net profit / (loss) after tax for the period attributable to equity shareholders of the Company by the weighted average number of equity in issue during the period. Diluted earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the company by the weighted average number of equity shares determined by assuming conversion on exercise of conversion rights for all potential dilutive securities.

(u) **Revenue Recognition:**

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities, as described below.

**Toll revenue**

The income from toll revenue from operations of the facility is accounted on receipt basis.



**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March, 2019**

**Contract revenue (construction contracts)**

Contract revenue associated with the construction of road are recognized as revenue by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed up to the balance sheet date bears to the estimated total contract costs. Margin on Contract Cost has not been considered since the company has given back to back the contract to its ultimate holding company i.e. Hindustan Construction Company Limited.

Contract cost includes costs that relate directly to the specific contract and allocated costs that are attributable to the construction of the toll roads. Cost that cannot be attributed to the contract activity such as general administration costs are expensed as incurred and classified as other operating expenses.

**Others**

Insurance and other claims are recognized as revenue on certainty of receipt basis.

(v) **Critical accounting estimates and judgements:**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

**(i) Applicability of service concession arrangement accounting to toll roads concessionaire arrangements**

Appendix A "Service concession arrangements" applies to "public-to-private" service concession arrangements, which can be defined as contracts under which the grantor transfers to a concession holder the right to deliver public services that give access to the main public facilities for a specified period of time in return for managing the infrastructure used to deliver those public services.

More specifically, Appendix C applies to public-to-private service concession arrangements if the grantor:

- i. Controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price; and
- ii. Controls through ownership or otherwise – any significant residual interest in the infrastructure at the end of the term of the arrangement.

In assessing the applicability the management has exercised significant judgement in relation to the underlying ownership of the assets, the ability to enter into power purchase arrangements with any customer, ability to determine prices etc. in concluding that the arrangements don't meet the criteria for recognition as service concession arrangements.

**(ii) Impairment of concession intangible assets**

The Company tests intangible assets and cash generating units have suffered any impairment, in accordance with the accounting policy. The recoverable amount of each cash generating unit has been determined based on the greater of value-in-use and fair value less costs to sell calculations. Calculations are prepared on the basis of management's assumptions and estimates.



**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March,2019**  
 (All amounts are in Rs lakhs, unless stated otherwise)

**3 Property, Plant and Equipment**

(Rs in Lakhs)

| Particulars                         | Furniture     | Computers      | Office equipment | Total          |
|-------------------------------------|---------------|----------------|------------------|----------------|
| <b>Gross Block</b>                  |               |                |                  |                |
| Balance as at 1st April 2018        | 1.58          | 58.93          | 14.68            | 75.20          |
| Additions                           |               |                | -                | -              |
| Balance as at 31st March, 2019      | 1.58          | 58.93          | 14.68            | 75.20          |
| <b>Balance as at 1st April 2018</b> | <b>(0.74)</b> | <b>(47.24)</b> | <b>(14.68)</b>   | <b>(62.66)</b> |
| Depreciation                        | (0.12)        | (7.23)         | -                | (7.36)         |
| Balance as at 31st March, 2019      | (0.86)        | (54.47)        | (14.68)          | (70.02)        |
| <b>Net Block</b>                    |               |                |                  |                |
| Balance as at 1st April 2018        | 0.84          | 11.69          | 0.00             | 12.54          |
| Balance as at 31st March, 2019      | 0.72          | 4.46           | 0.00             | 5.18           |



Badarpur Faridabad Tollway Limited  
Notes to the financial statements for the year ended 31st March, 2019  
(All amounts are in Rs lakhs, unless stated otherwise)

4 Other financial assets  
(Unsecured unless otherwise stated)

| Particulars              | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|--------------------------|-----------------------|-------------------------|
| <b>Non-current</b>       |                       |                         |
| Considered good          |                       |                         |
| Security Deposits        | 3.08                  | 3.08                    |
| Corporate Guarantee      | 668.64                | 763.40                  |
| <b>Non-current total</b> | <b>671.72</b>         | <b>766.48</b>           |

5 Non Current Tax Assets (Net)

| Particulars                         | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|-------------------------------------|-----------------------|-------------------------|
| Prepaid Taxes ( Net of Provisions ) | 19.50                 | 19.46                   |
| <b>Closing Balance</b>              | <b>19.50</b>          | <b>19.46</b>            |

6 Other Assets

| Particulars                         | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|-------------------------------------|-----------------------|-------------------------|
| <b>6a Non current assets</b>        |                       |                         |
| Balance with Government Authorities | -                     | 10.77                   |
| <b>Non-current total</b>            | <b>-</b>              | <b>10.77</b>            |
| <b>6b Other Current assets</b>      |                       |                         |
| Prepaid expenses                    | -                     | -                       |
| Security Deposit                    | 5.01                  | 5.01                    |
| Other Receivables                   | 71.22                 | 15.90                   |
| <b>Current total</b>                | <b>76.23</b>          | <b>20.91</b>            |

7 Current investments

| Particulars   | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>Investments in Mutual Funds</b>                          |                       |                         |
| Fair value through profit or loss                           |                       |                         |
| Quoted  |                       |                         |
| (31 Mar 18 : 1976.26.00) units in Canara Rebeco Mutual Fund | 44.64                 | 41.53                   |
| <b>Total</b>  | <b>44.64</b>          | <b>41.53</b>            |
| Aggregate amount of quoted investments                      | 44.64                 | 41.53                   |
| Market value of quoted investments                          | 44.64                 | 41.53                   |

8 Trade receivable

| Particulars        | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|--------------------|-----------------------|-------------------------|
| Trade receivable * | 208.00                | 208.00                  |
| <b>Total</b>       | <b>208.00</b>         | <b>208.00</b>           |

\*Includes Rs 2,08,00,000 Compensation receivable from NHAI on account of suspension of Toll

9 Cash and cash equivalents

| Particulars  | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|--|-----------------------|-------------------------|
| Cash on hand   |                       | -                       |
| Balances with Banks  |                       |                         |
| In current accounts  | 1,713.82              | 1,798.40                |
| Term deposits with original maturity of less than three months | 7.41                  | 7.41                    |
| <b>Total</b>   | <b>1,721.23</b>       | <b>1,805.81</b>         |

10 Other Financial Asset

| Particulars          | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|----------------------|-----------------------|-------------------------|
| <b>Current</b>       |                       |                         |
| Receivable from NHAI | 34,042.79             | 34,042.79               |
| Other receivables    | 0.84                  | 0.47                    |
| <b>Current total</b> | <b>34,043.63</b>      | <b>34,043.26</b>        |



**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March,2019**  
 (All (All amounts are in Rs lakhs, unless stated otherwise)

**11 Equity Share capital**

| Particulars   | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>Authorised</b><br>10,000,0000 (31 March 2018: 10,000,0000)<br>equity shares of Rs 10/- each                          | 10,000                | 10,000                  |
| <b>Issued, subscribed and fully paid up</b><br>98,000,000 (31 March 2018:98,000,000 ) equity<br>shares of Rs 10/- each. | 9,800                 | 9,800                   |
|   | <b>9,800</b>          | <b>9,800</b>            |

**a) Reconciliation of number of shares**

| Equity Shares :                   | No in Lakhs  |          |
|-----------------------------------|--------------|----------|
|                                   | No of Shares | Amount   |
| Balance as at the 1st April 2018  | 980.00       | 9,800.00 |
| Add: Issued during the year       | -            | -        |
| Balance as at the 31st March 2019 | 980.00       | 9,800.00 |

**b) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

| Particulars                                     | As at Mar 31, 2019         |                   | As at March 31, 2018       |                   |
|---|----------------------------|-------------------|----------------------------|-------------------|
|   | No of shares<br>(in lakhs) | % of Shareholding | No of shares<br>(in lakhs) | % of Shareholding |
| <b>Equity shares of Rs 10/- each fully paid</b> |                            |                   |                            |                   |
| HCC Concessions Limited and its<br>nominees     | 980                        | 100%              | 980                        | 100%              |

**12 Capital contribution from holding Company**

| Particulars                                | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|--|-----------------------|-------------------------|
| Subordinate loan classified as equity      | 13,534.18             | 13,534.18               |
| Capital contribution (Corporate Guarantee) | 1,140.54              | 1,140.54                |
| <b>Total</b>                               | <b>14,674.72</b>      | <b>14,674.72</b>        |

**13 Reserves and Surplus**

| Particulars                       | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|-----------------------------------|-----------------------|-------------------------|
| Retained Earnings                 | (52,404.88)           | (46,088.38)             |
| <b>Total reserves and surplus</b> | <b>(52,404.88)</b>    | <b>(46,088.38)</b>      |

**Surplus in the Statement of Profit and Loss**

| Particulars                         | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|-------------------------------------|-----------------------|-------------------------|
| Opening balance                     | (46,088.38)           | (41,460.56)             |
| Add: Profit / (Loss) for the period | (6,316.50)            | (4,627.82)              |
| <b>Closing Balance</b>              | <b>(52,404.88)</b>    | <b>(46,088.38)</b>      |





**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March,2019**  
(All amounts are in Rs lakhs, unless stated otherwise)

**14 Borrowings**

| Particulars        | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|--------------------|-----------------------|-------------------------|
| <b>Non Current</b> |                       |                         |
| <b>Secured</b>     |                       |                         |
| Term loans         |                       |                         |
| From banks *       | -                     | 38,047.32               |
| From Others *      | -                     | 7,768.25                |
| <b>Total</b>       | -                     | <b>45,815.57</b>        |
| <b>Current</b>     |                       |                         |
| <b>Secured</b>     |                       |                         |
| Term loans         |                       |                         |
| From banks *       | -                     | -                       |
| From Others *      | -                     | -                       |
|                    | -                     | -                       |
| <b>Total</b>       | -                     | <b>45,815.57</b>        |

\* The Company entered into the amendment to the amended and restated loan agreement dated February 22, 2013 ("Restructuring Agreement") to restructure the outstanding loan. The cut-off date for implementation of the restructuring package was July 1, 2012 and the rate of interest on the outstanding term loan was agreed at 11% p.a up to 30th June 2013 and the same is existing.

The Company is also allowed a moratorium period with principal repayment starting from 30th June 2013 and ending on 31st March -2026 varying between Rs 1,25,00,000 to Rs 19,95,00,000.

As per the terms of restructuring agreement, 47.40% of the amount of interest on the term loan for financial year 2013-14 ,41.6% for the financial year 2014-15 will be transferred to Funded Interest Term Loan (FITL), 29.5 % for the financial year 2015-16 will be transferred to Funded Interest Term Loan (FITL).and 11.8 % for the financial year 2016-17 will be transferred to Funded Interest Term Loan (FITL).The rate of interest is 10.45% p.a(For Axis Bank rate is 10.25% with effect from 30th September,2015) .with effect from 7th October, 2015.

Loans are taken under Common Loan Agreement (CLA) and are secured By way of pari-passu first charge on all assets both present and future, excluding the project assets as defined in the Concession Agreement & pledge of 4,30,00,000 shares of the promoters equity shareholding.

**15 Other financial liabilities**

| Particulars                  | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|------------------------------|-----------------------|-------------------------|
| <b>Non-current</b>           |                       |                         |
| Interest accrued but not due | -                     | -                       |
| <b>TOTAL</b>                 | -                     | -                       |

**16 Provisions**

| Particulars                    | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|--------------------------------|-----------------------|-------------------------|
| <b>Non-current</b>             |                       |                         |
| Provision for Gratuity         | -                     | -                       |
| Provision for Leave encashment | 0.00                  | -                       |
| <b>Total</b>                   | <b>0.00</b>           | -                       |



**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March,2019**  
(All amounts are in Rs lakhs, unless stated otherwise)

**17 Trade payables**

| Particulars  | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|--------------|-----------------------|-------------------------|
| Others       | 513.76                | 526.94                  |
| <b>Total</b> | <b>513.76</b>         | <b>526.94</b>           |

**18 Other financial liabilities**

| Particulars                              | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|--|-----------------------|-------------------------|
| Interest accrued and due on borrowings** | 14,440.52             | 8,319.82                |
| Current Maturities of Long term debt**   | 47,263.69             | 1,448.13                |
| Deposit payable(POS)                     | 9.14                  | 9.14                    |
| Due to employees                         | -                     | 6.72                    |
| Other payable                            | -                     | 0.01                    |
| Payable to Related Party                 | 839.29                | 797.10                  |
| <b>Total</b>                             | <b>62,552.64</b>      | <b>10,580.92</b>        |

\*\* Banks have recalled the entire financial assistance extended by them to the Company vide Letter dated 31.10.2018

**19 Other current liabilities**

| Particulars    | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|----------------|-----------------------|-------------------------|
| <b>Current</b> |                       |                         |
| Statutory Dues | 0.32                  | 4.69                    |
| <b>Total</b>   | <b>0.32</b>           | <b>4.69</b>             |

**20 Provisions**

| Particulars                     | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|---------------------------------|-----------------------|-------------------------|
| Provision for Employee Benefits | (0.00)                | 0.39                    |
| Provision for Sick leave        | -                     | 0.56                    |
| Provision for Leave encashment  | -                     | 3.43                    |
| Provision for expenses          | 1,653.57              | 1,604.38                |
| Provision for Gratuity          | -                     | 5.55                    |
| <b>Total</b>                    | <b>1,653.57</b>       | <b>1,614.31</b>         |



**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March, 2019**  
(All amounts are in Rs lakhs, unless stated otherwise)

**21 Revenue from Operations**

| Particulars             | Year ended March | Year ended      |
|-------------------------|------------------|-----------------|
|                         | 31, 2019         | March 31, 2018  |
| <b>Operating Income</b> |                  |                 |
| Toll Revenue            | 0.00             | 3,607.34        |
| <b>Total</b>            | <b>0.00</b>      | <b>3,607.34</b> |

**22 Other income**

| Particulars                         | Year ended March | Year ended     |
|-------------------------------------|------------------|----------------|
|                                     | 31, 2019         | March 31, 2018 |
| Interest income                     | 0.42             | 0.63           |
| Change in Fair value of Investments | 3.11             | 2.61           |
| Miscellaneous Income                | 6.99             | 10.14          |
| <b>Total</b>                        | <b>10.52</b>     | <b>13.38</b>   |

**23 Employee benefits expenses**

| Particulars        | Year ended March | Year ended     |
|--------------------|------------------|----------------|
|                    | 31, 2019         | March 31, 2018 |
| Salaries and wages | 6.05             | 59.38          |
| <b>Total</b>       | <b>6.05</b>      | <b>59.38</b>   |

**24 Finance costs**

| Particulars  | Year ended March | Year ended      |
|--|------------------|-----------------|
|  | 31, 2019         | March 31, 2018  |
| Interest expense on Term Loans                         | 6,121.19         | 5,778.79        |
| Other borrowing costs                                  | 2.81             | 5.41            |
| Unwinding up of Major Maintenance Provision( MMR)      | -                | 132.98          |
| Interest expenses on unwinding up of Retention payable | -                | 9.08            |
| Amortisation of Corporate guarantee                    | 94.76            | 94.57           |
| <b>Total</b>   | <b>6,218.76</b>  | <b>6,020.83</b> |

**25 Depreciation and amortization expense**

| Particulars                                   | Year ended March | Year ended      |
|---|------------------|-----------------|
|   | 31, 2019         | March 31, 2018  |
| Depreciation on Property, Plant and Equipment | 7.35             | 14.43           |
| Amortization on intangible assets             | -                | 2,831.88        |
| <b>Total</b>                                  | <b>7.35</b>      | <b>2,846.31</b> |

**26 Other expenses**

| Particulars                                 | Year ended March | Year ended      |
|---|------------------|-----------------|
|   | 31, 2019         | March 31, 2018  |
| Audit fees                                  | 1.75             | 2.36            |
| Power, fuel and Electricity                 | 7.72             | 109.73          |
| Operation & Maintenance                     | 55.56            | 724.11          |
| Insurance                                   | 2.60             | 66.25           |
| Rates and Taxes                             | 12.69            | 1.19            |
| Travelling                                  | -                | 18.39           |
| Director Sitting Fees                       | 2.24             | 3.04            |
| Printing & Stationery                       | 0.05             | 0.54            |
| Legal, Professional and Consultancy Charges | 3.83             | 105.65          |
| Postage, Telephone and Fax                  | 0.00             | 0.34            |
| Computer/System expenses                    | -                | 5.81            |
| Consumables                                 | -                | 21.18           |
| Additional concessions fees                 | -                | 514.15          |
| Miscellaneous Expenses                      | 8.42             | 10.97           |
| <b>Total</b>                                | <b>94.86</b>     | <b>1,583.72</b> |

| Particulars                           | Year ended March | Year ended     |
|---------------------------------------|------------------|----------------|
|                                       | 31, 2019         | March 31, 2018 |
| <b>Details of payment to auditors</b> |                  |                |
| Statutory Audit fees                  | 1.50             | 1.50           |
| Tax audit fees                        | 0.25             | 0.25           |
| Others & Taxes                        | -                | 0.61           |
| <b>Total</b>                          | <b>1.75</b>      | <b>2.36</b>    |

**27 Exceptional Items**

| Particulars                                     | Year ended March | Year ended      |
|---|------------------|-----------------|
|   | 31, 2019         | March 31, 2018  |
| Reversal of Major Maintenance Provision         | -                | 1,195.57        |
| Interest Payable Written Back (Holding Company) | -                | 1,066.13        |
| <b>Total</b>                                    | <b>-</b>         | <b>2,261.70</b> |

Note : (1) Major maintenance provision is no longer required as the project of the company has been terminated.

(2) Interest payable has been written back as the waiver has been granted by the beneficiary i.e holding company.

**28 Earnings per share (EPS)**

|  |            |            |
|--|------------|------------|
| Net profit/ (loss) for calculation of basic      | (6,316.50) | (4,627.72) |
| Number of equity shares in calculating basic EPS | 980.00     | 980.00     |
| Basic EPS  | (6.45)     | (4.72)     |



**Badarpur Faridabad Tollway Limited**  
**Statement of Profit and Loss for the year ended 31st March,2019**  
 (All amounts are in ` lakhs, unless stated otherwise)

**29. Financial risk management**

The companies activities exposes it to market risk, liquidity risk and credit risk.  
 This note explains the source of risk which the entity is exposed to and how the entity is manage the risk.

| Risk                           | Exposure arising from   | Measurement                    | Management  |
|--------------------------------|---|--------------------------------|---|
| Credit risk                    | Cash and cash equivalents, financial assets measured at amortised cost. | Ageing analysis Credit ratings | Diversification of bank deposits, credit limits and letters of credit |
| Market risk — foreign exchange | -   | -                              | -   |
| Market risk — interest rate    | Longterm borrowings at variable rate                                    | Sensivity analysis             | Actively managed  |
| Liquidity risk                 | Trade Payables,borrowings and other liabilities                         | Rolling cash flow forecasts    | Availability of committed credit lines and borrowing facilities       |

The Company's risk management is carried out by a project finance team and treasury team group under policies approved by board of directors. Company treasury identifies, evaluates and hedges financial risk in close co-operation with the group's operating units. The Management of the Company provides written principles for overall risk management, as well as policies covering specific areas, such as , interest rate risk, and credit risk, use of derivative financial instrument and non-derivative financial instrument, and investments of excess liquidity.

**(a) Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The payment against senior debt is linked to settlement of termination payment by NHAI.

**(b) Market Risk - Interest rate risk**

The exposure of the Company's borrowing is linked to Bank base rate plus fixed spread ,base rate are subject to change in market condition to interest rate changes at the end of the reporting period are as follows:

| Particulars              | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--------------------------|---------------------|---------------------|
| Variable rate borrowings | 47,263.69           | 47,263.70           |
| <b>Total borrowings</b>  | <b>47,263.69</b>    | <b>47,263.70</b>    |

Currently, Lending by Commercial Banks is at variable rate only, which is the inherent business risk. However in view handing over project to NHAI, interest on senior debt is linked to the settlement of Termination Compensation.

**(b) Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

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

The payment against senior debt is linked to settlement of termination payment by NHAI.

**Maturities of financial liabilities**

**As at 31st March,2019**

|                              | Less than 1<br>Year | 1 to 2 Years | 3 to 5 Years | Over 5 Years | Total            |
|------------------------------|---------------------|--------------|--------------|--------------|------------------|
| <b>Non-derivatives</b>       |                     |              |              |              |                  |
| Other Financials liabilities | 62,552.64           |              |              |              | 62,552.64        |
| Trade and other payables     | 513.76              |              |              |              | 513.76           |
| <b>Total non-derivatives</b> | <b>63,066.40</b>    | -            | -            | -            | <b>63,066.40</b> |
| <b>Derivatives (N.A)</b>     | -                   | -            | -            | -            | -                |
| <b>Total</b>                 | <b>63,066.40</b>    | -            | -            | -            | <b>63,066.40</b> |

**As At March-2018**

|                              | Less than 1<br>Year | 1 to 2 Years    | 3 to 5 Years     | Over 5 Years  | Total            |
|------------------------------|---------------------|-----------------|------------------|---------------|------------------|
| <b>Non-derivatives</b>       |                     |                 |                  |               |                  |
| Borrowings                   | 1,448.13            | 5,148.70        | 40,452.00        | 214.87        | 47,263.70        |
| Other Financials liabilities | 9,132.79            |                 |                  |               | 9,132.79         |
| Trade and other payables     | 526.94              |                 |                  |               | 526.94           |
| <b>Total non-derivatives</b> | <b>11,107.86</b>    | <b>5,148.70</b> | <b>40,452.00</b> | <b>214.87</b> | <b>56,923.43</b> |
| <b>Derivatives (N.A)</b>     | -                   | -               | -                | -             | -                |
| <b>Total</b>                 | <b>11,107.86</b>    | <b>5,148.70</b> | <b>40,452.00</b> | <b>214.87</b> | <b>56,923.43</b> |



**Note 30 - Fair value measurements**

**Financial instruments**

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2019 were as follows:

| Particulars                 | Amortised cost | Financial assets/ liabilities at fair value through profit or loss |           | Total carrying value | Rs. in Lakhs     |
|-----------------------------|----------------|--|-----------|----------------------|------------------|
|                             |                |  |           |                      | Total fair value |
|                             |                | Designated upon initial recognition                                | Recurring |                      |                  |
| <b>Assets:</b>              |                |  |           |                      |                  |
| Investments in Mutual Funds | -              | -  | 44.64     | 44.64                | 44.64            |
| Trade Receivables           | 208.00         | -  | -         | 208.00               | -                |
| Cash and Cash Equivalents   | 1,721.23       | -  | -         | 1,721.23             | -                |
| Corporate Guarantee         | 668.64         | -  | -         | 668.64               | 668.64           |
| Other Financial Asset       | 34,046.71      | -  | -         | 34,046.71            | -                |
| <b>Liabilities:</b>         |                |  |           |                      |                  |
| Borrowings                  | -              | -  | -         | -                    | -                |
| Trade payables              | 513.76         | -  | -         | 513.76               | -                |
| Other financial liabilities | 62,552.64      | -  | -         | 62,552.64            | -                |

The carrying value and fair value of financial instruments by categories as at 31 March 2018 were as follows:

| Particulars                 | Amortised cost | Financial assets/ liabilities at fair value through profit or loss |           | Total carrying value | Rs. in Lakhs     |
|-----------------------------|----------------|--|-----------|----------------------|------------------|
|                             |                |  |           |                      | Total fair value |
|                             |                | Designated upon initial recognition                                | Recurring |                      |                  |
| <b>Assets:</b>              |                |  |           |                      |                  |
| Investments in Mutual Funds | -              | -  | 41.53     | 41.53                | 41.53            |
| Trade Receivables           | 208.00         | -  | -         | 208.00               | -                |
| Cash and Cash Equivalents   | 1,805.81       | -  | -         | 1,805.81             | -                |
| Corporate Guarantee         | 763.40         | -  | -         | 763.40               | 763.40           |
| Other Financial Asset       | 34,046.35      | -  | -         | 34,046.35            | -                |
| <b>Liabilities:</b>         |                |  |           |                      |                  |
| Borrowings                  | 45,815.57      | -  | -         | 45,815.57            | -                |
| Trade payables              | 526.94         | -  | -         | 526.94               | -                |
| Other financial liabilities | 10,580.92      | -  | -         | 10,580.92            | -                |

**Note 31A- Fair value Hierarchy**

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of :

| Particulars        | Rs. in Lakhs  |           |               |           |
|--------------------|---------------|-----------|---------------|-----------|
|                    | 31 March 2019 |           | 31 March 2018 |           |
|                    | Level 1       | Level 3   | Level 1       | Level 3   |
| <b>Assets</b>      |               |           |               |           |
| Assets:            | 44.64         | -         | 41.53         | -         |
| Other Assets       | -             | 36,644.58 | -             | 36,823.56 |
| <b>Liabilities</b> | -             | 63,066.40 | -             | 56,923.43 |



31 Net Debt Reconciliation

| Particulars                    | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--------------------------------|-------------------------|-------------------------|
| Cash and Cash Equivalents      | 1,721.23                | 1,805.81                |
| Liquid Investments (i)         | 44.64                   | 41.53                   |
| Current Borrowings             | -                       | -                       |
| Non-Current Borrowings         | (47,263.69)             | (47,263.70)             |
| Interest Accrued - Current     | (14,440.52)             | (8,319.82)              |
| Interest Accrued - Non Current | -                       | -                       |
| <b>Net Debt</b>                | <b>(59,938.34)</b>      | <b>(53,736.18)</b>      |

| Particulars                         | Other Assets                 |                       | Liabilities from Financing Activities |                    | TOTAL              |
|-------------------------------------|------------------------------|-----------------------|---------------------------------------|--------------------|--------------------|
|                                     | Cash and Cash<br>Equivalents | Liquid<br>Investments | Non-Current<br>Borrowings             | Interest Payable   |                    |
| Net Debt as at 1st April 2018       | 1,805.81                     | 41.53                 | (47,263.70)                           | (8,319.82)         | (53,736.18)        |
| Cash Flows                          | (84.60)                      | 3.11                  | 0.01                                  | -                  | (81.49)            |
| Interest Expense                    | -                            | -                     | -                                     | (6,025.89)         | (6,025.89)         |
| Interest paid                       | -                            | -                     | -                                     | -                  | -                  |
| Other Non cash movements            | -                            | -                     | -                                     | -                  | -                  |
| -Acquisitions/ Disposals            | -                            | -                     | -                                     | -                  | -                  |
| -Fair Value Adjustments             | -                            | -                     | -                                     | (94.76)            | (94.76)            |
| <b>Net Debt as at 31 March 2019</b> | <b>1,721.21</b>              | <b>44.64</b>          | <b>(47,263.69)</b>                    | <b>(14,440.47)</b> | <b>(59,938.34)</b> |



**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the period ended 31st March 2019**  
**(All amounts are in Rs lakhs, unless stated otherwise)**

**32. Related Party Transactions**

**Transactions with Related Parties:**

**(A) Nature of Relationship and Name of Related Party**

**Holding Company**  
HCC Concessions Limited

**Ultimate Holding Company**  
Hindustan construction Company Limited

**Fellow Subsidiary**  
HIGHBAR Tech Limited  
HCC Infrastructure Company Ltd  
HCC Operations & Maintenance Limited

**Directors**  
Manish Khanna  
Chandras Zaveri  
Shyamkant Dharmadhikari

**Key Managerial Personnel**

Kiran Kakkar - Chief Financial Officer  
Firoz Navroze Deboo - Manager  
Rupali Vaidya -Company Secretary

**Transactions with Related Parties**

|   |                              | As at<br>Mar 31, 2019 | As at<br>March 31, 2018 |
|---|------------------------------|-----------------------|-------------------------|
| <b>Subordinate loan classified as equity</b>      |                              |                       |                         |
| HCC Concessions Limited                           | Holding Company              | 13,534.18             | 13,534.18               |
|   | <b>Total</b>                 | <b>13,534.18</b>      | <b>13,534.18</b>        |
| <b>Capital contribution (Corporate Guarantee)</b> |                              |                       |                         |
| HCC Concessions Limited                           | Holding Company              | 1,140.54              | 1,140.54                |
|   | <b>Total</b>                 | <b>1,140.54</b>       | <b>1,140.54</b>         |
| <b>Outstanding Payables</b>                       |                              |                       |                         |
| Hindustan Construction Company Limited            | Ultimate Holding Company Ltd | 103.44                | 103.44                  |
| HCC Concessions Limited                           | Holding Company              | 73.96                 | 32.05                   |
| Highbar Tech Limited                              | Fellow Subsidiary            | -                     | -                       |
| HCC Infrastructure Company Ltd                    | Fellow Subsidiary            | 20.01                 | 20.01                   |
| HCC Operations & Maintenance Limited              | Fellow Subsidiary            | 62.87                 | 62.59                   |
|   | <b>Total</b>                 | <b>260.28</b>         | <b>218.09</b>           |
| <b>Expenses for other services</b>                |                              |                       |                         |
| Hindustan Construction Company Limited            | Ultimate Holding Company     | 1.47                  | 1.47                    |
| HCC Concessions Limited                           | Holding Company              | 41.90                 | 6.92                    |
| HCC Operations & Maintenance Limited              | Fellow Subsidiary            | 0.07                  | 0.07                    |
|   | <b>Total</b>                 | <b>43.44</b>          | <b>8.46</b>             |
| <b>Director Sitting Fees</b>                      |                              |                       |                         |
| Manish Khanna                                     |                              | 1.30                  | 1.30                    |
| Chandras Zaveri                                   |                              | 1.30                  | 1.30                    |
|   | <b>Total</b>                 | <b>2.60</b>           | <b>2.60</b>             |
| <b>Ammortisation of Corporate Guarantee</b>       |                              |                       |                         |
| HCC Concessions Limited                           | Holding Company              | 94.76                 | 94.57                   |
|   | <b>Total</b>                 | <b>94.76</b>          | <b>94.57</b>            |
| <b>Retention Deposit (liability)</b>              |                              |                       |                         |
| Hindustan Construction Company Limited            | Ultimate Holding Company     | 579.00                | 579.00                  |
|   | <b>Total</b>                 | <b>579.00</b>         | <b>579.00</b>           |
| <b>Total contribution in Share Capital</b>        |                              |                       |                         |
| HCC Concessions Limited                           | Holding Company              | 9,800.00              | 9,800.00                |
|   | <b>Total</b>                 | <b>9,800.00</b>       | <b>9,800.00</b>         |
| <b>Financial Guarantee</b>                        |                              |                       |                         |
| HCC Concessions Limited                           | Holding Company              | 668.64                | 763.40                  |
|   | <b>Total</b>                 | <b>668.64</b>         | <b>763.40</b>           |
| <b>Contingent Liability</b>                       |                              |                       |                         |
| Corporate Guarantees taken and outstanding        |                              |                       |                         |
| HCC Concessions Limited                           | Holding Company              | 61,704.21             | 50,748.96               |
|   | <b>Total</b>                 | <b>61,704.21</b>      | <b>50,748.96</b>        |



**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March,2019**  
 (All amounts are in Rs lakhs, unless stated otherwise)

**33 Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006**

There have been no claimed transactions during the year with Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Hence, reporting details of Principal and Interest does not arise.

**34 Contingent Liabilities**

| Claims /penalty against the company not acknowledged as debt :                | Year ended March<br>31, 2019 | Year ended<br>March 31, 2018 |
|---|------------------------------|------------------------------|
| Additional concessions fees demanded by NHAI but disputed by the Company.     | 1,184.77                     | 1,184.77                     |
| Penalty imposed by NHAI for non execution of periodic maintenance carriageway | 1,156.71                     | 1,156.71                     |
| Relating to Recalled Loan by Lenders**  | 28,592.00                    | -                            |
| Interest on Retention Payable & Bank Guarantee Commission Chgs^^              | 606.67                       | -                            |
| <b>Total</b>  | <b>31,540.15</b>             | <b>2,341.48</b>              |

Note:

\*\* Company has received a recall notice from Lenders letter dated 31st October 2018 demanding repayment of entire loan outstanding amounting to Rs 710 Cr and Company has reverted to the notice and has requested the lenders to reconsider its action of issuing Recall Notice and withdraw it immediately, pending the arbitration proceedings with NHAI for termination dues. Subsequently Company has received Letter dated 10th April 2019 demanding outstanding dues along with revised Interest totalling to Rs 902.96 Cr as on 31.10.2018 (computed after reversal of waivers). As per our Books of accounts total outstanding dues to Lenders as on 31.03.2019 are Rs. 617 Cr.

^^ Company has received Letter from EPC Contractor i.e. Hindustan Construction Company (HCC) claiming Interest on Retention Payable amounting to Rs 5.72 Cr (Interest @ 12.5 % on Retention payable - Rs 5.79 Cr from May 2011 to 31<sup>st</sup> March 2019 ) and Rs 34.67 Lakhs towards Bank guarantee commission on Performance guarantee issued by HCC on our behalf

**35 Foreign Currency Transactions**

|                                 |            |            |
|---------------------------------|------------|------------|
| a) CIF value of Imports         | Nil        | Nil        |
| b) Expenses in foreign currency | Nil        | Nil        |
| c) Earning in foreign currency  | Nil        | Nil        |
| <b>Total</b>                    | <b>Nil</b> | <b>Nil</b> |

**36 Net worth and Going concern assumption**

Net worth of the company is negative as on 31st Mar 2019 as the accumulated losses of the company at Rs 52,404.88 lakhs- has exceeded the paid up share capital of the company amounting to Rs 9,800 lakhs by Rs 42,604.88 lakhs-. Consequent to the intention to issue termination notice issued by the company vide letter dated 31.03.2017, the company issued the Termination Notice to NHAI on 01.09.2017, terminating the Concession Agreement (CA) of the Project entered into by the Company with NHAI dated 04.09.2008 due to various reasons / authority defaults mentioned therein and demanded Termination Payment of Rs.775 Cr. The NHAI refuted the Termination initiated by Company.

NHAI, in turn, issued Suspension Notice dated 28.08.2017 under Article 36 of CA and took over the project. Subsequent to its Suspension Notice, the NHAI Terminated the CA as per Clause 36.5.2 of the CA vide letter dated 23.02.2018. The Company refuted NHAI's termination stating that NHAI's termination is invalid, as the Company had already terminated CA vide Termination Notice dated 01.09.2017 under Article 34.8 of the CA. Company has referred termination Dispute for resolution as per Dispute Resolution Procedure (Arbitration) provided in Article 44 of the CA.

Based on the legal advice obtained in this respect, the company is confident of recovering the amount from NHAI and therefore has accounted the same under current financial assets under note no 11 in the financial statements

In view of the above, Going Concern assumption is appropriate & the accounts has been drawn accordingly

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Gianender & Associates  
 Chartered Accountants  
 ICAI Registration No. 086015

R K Agarwal  
 Partner  
 Membership No.:085671

Place: New Delhi  
 Date: 07/05/19

Kiran Kakkar  
 Chief Financial Officer

Firoz Navroze Deboo  
 Manager

Rupali Vaidya  
 Company Secretary

Manish Khanna  
 Director  
 DIN No: 00703416

Ravindra Kumar  
 Singh  
 Director  
 DIN No :02992019

Place: Mumbai  
 Date: 07/05/19