

**INDEPENDENT AUDITOR'S REPORT**

To the Members of **Badarpur Faridabad Tollway Limited**

**Report on the audit of Ind-AS Financial Statements****Opinion**

We have audited the accompanying Ind AS financial statements of **Badarpur Faridabad Tollway Limited** ('the Company'), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income) and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanation 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<sup>st</sup>, 2023 and its Profit, changes in equity and its cash flows for the year ended as 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 Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



### **Material Uncertainty relating to going Concern:**

We draw attention to Note 29 in the financial statement, which indicates that there has been substantial erosion in the net worth of the Company. Net worth of the company is negative as on 31st March, 2023 as the accumulated losses of the company at Rs.29,790.35 lakhs has exceeded the paid up share capital of the company amounting to Rs 9,800 lakhs by Rs.19,990.35 Lakhs.

We draw attention to Note 29 in the financial statement, which indicates that the Company had issued a Termination notice to NHAI on 01.09.2017 under Article 34.8 of the CA due to occurrence of Political Force Majeure Event on account of imposition of environmental compensation charges and other restrictions on the commercial vehicles entering into Delhi as per the Supreme Court Orders and demanded Termination Payment of RS 775 Cr. The NHAI had refuted the Termination initiated by the Company. In lieu of this force majeure event, the Company has filed an application under section 9 of Arbitration and Conciliation Act before the Hon'ble Delhi High Court for recovery of termination payment.

The Company has signed a one time Settlement agreement on 26th March 2020 with NHAI for payment of Rs. 302.41 Cr including interest (Principal amount – Rs.246.73 Cr & Interest – Rs.55.68 Cr ). NHAI has released 100% of settlement amount. Thereafter the Company has not carried any business activities.

According to information available and explanations obtained, in respect of loans and advances taken from Holding company & fellow subsidiary, it has been observed from the perusal of financial statements that there are accumulated losses and their net worth have been fully / substantially eroded. Further that net loss during the current and previous year(s) and, current liabilities exceeded their current assets as at the respective balance sheet dates. These conditions, along with absence of clear indications or plans for revival, in our opinion, indicate that there is significant uncertainty and doubt about the repayment of the loans and advances to the holding company & fellow subsidiary. Further, that there is a clear indication that there is a decline in the carrying amount of these investments which is other than temporary.

Our opinion is not modified in respect of this matter.





### **Key Audit Matters**

Key Audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The accuracy of bank balance held in current account amounting to Rs.25.58 Lakhs and Term deposit balance of Rs.7.41 Lakhs could not be verified in absence of external evidence by way of bank statement and bank confirmation (Except for 2 ICIC Bank whose statements has been provided accounts and the said account have balance of Rs.1,00,000/- and Rs.43,007 /- respectively). The above-mentioned balances have not reconciled and confirmed; further the differences in balances, if any and their impact on the financial results and balance sheet could not be determined

We have determined no other key audit matter to be communicated in our report.

### **Information other than the financial statements and auditor's report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include the financial statements and our auditor's report thereon.

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



## **Management's Responsibility 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 financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)[v] and cash flows of the Company in accordance with[vi] the accounting principles generally accepted in India, including the 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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. That Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism during 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 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 controls systems in place and the operative effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the 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 auditors 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, 2015 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the Annexure A statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance sheet, the Statement of Profit and Loss and the Cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid 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) on the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B", and
  - (g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:-





- a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
- b. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
- c. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

**For Vinodchandra R Shah & Co.**

**Chartered Accountants**

**FRN: 115394W**



**Uday V. Shah**

**Partner**

**M No: 035626**

**Date: 16/05/2023**

**Place: Mumbai**

**UDIN:- 23035626BGWNLI8860**

**“ANNEXURE A” TO INDEPENDENT AUDITORS’ REPORT OF BADARPUR  
FARIDABAD TOLLWAY LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023.**

The Annexure referred to in paragraph 1 under the heading “Report on other Legal and Regulatory Requirements” of our report of 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 Management at regular Intervals and no material discrepancies were noticed on such verification.
- (c) Company does not own immovable properties and hence paragraph 3(i)(c) of the Order is not applicable.
- (ii) (a) As the company is engaged in the business of operations and maintenance of infrastructure, there is no inventory in hand at any point of time, hence paragraph 3(ii) (a) of the Order is not applicable to the company.
- (b) The Company has not availed any working capital limits from banks or financial, hence paragraph 3(ii) (b) of the Order is not applicable to the company.
- (iii) The Company has neither made any investment nor granted any loans, secured or unsecured to any companies, firms, LLPs or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (“The Act”). Hence reporting under clause (a) to (c) of Para 3(iii) is not applicable.
- (iv) The Company has not entered into any transaction in respect of loan, investment, guarantee and securities, which attract compliance to the provisions of section 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 any deposits and the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder are not applicable to the company.



(vi) The Company is prima-facie maintaining the cost record as specified by the Central Government under section 148(1) of the Act.



- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities. As on 31<sup>st</sup> March, 2023, there are no undisputed statutory dues payable for period exceeding a period of more than six month from the date they became payable.
- (b) According to the information and explanation given to us, there were no undisputed amounts payable in respect of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess, Goods and Services Tax and other material statutory dues which have not been deposited on account of dispute.
- (viii) The Company does not have any transactions to recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) The Company has not taken any loans or borrowings from Government and not issued any debenture during the year.
- (x) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xi) According to the information and explanations given to us by the management which have been relied by us, there was no material frauds by the Company or on the Company by its officers or employees has been noticed or reported during the period under audit. According to the information and explanations given to us No whistle-blower complaints is received during the year by the company;
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.



- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) The Company has an adequate internal controls system which commensurate with the size and nature of business of a company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- (xvi) The company has incurred any cash losses in the financial year and in the immediately preceding financial year the company, the details of which are as under:

Particulars	FY 22-23	FY 21-22
Net profit/loss after tax	33.46	(4.23)
Adjustment:		
Add: Depreciation	0.32	0.56
Less: Change in Fair value of Investments	(2.90)	(1.64)
Less: Income by way of creditors/provisions written back	(50.75)	
Add: Expenses written off	-	3.98
<b>Adjusted Net Profit/(Loss after Tax)</b>	<b>(19.87)</b>	<b>(1.33)</b>

- (xvii) There has been no instance of resignation of the statutory auditors during the year.
- (xviii) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of





balance sheet as and when they fall due within a period of one year from the balance sheet date. For Material Uncertainty, kindly refer INDEPENDENT AUDITOR'S REPORT note on 'Material Uncertainty relating to Going Concern'

- (xx) The provisions as provided in Section 135 of the Companies Act, 2013 (herein after referred as 'the Act' are not applicable. Accordingly, paragraph 3(xx) of the Order is not applicable.
- xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For Vinodchandra R Shah & Co.**

**Chartered Accountants**

**FRN: 115394W**



**Uday V. Shah**

**Partner**

**M No: 035626**

**Date: 16/05/2023**

**Place: Mumbai**

**UDIN:- 23035626BGWNL18860**

## **“ANNEXURE B” TO INDEPENDENT AUDITOR’S REPORT**

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

We have audited the internal financial controls over financial reporting of **Badarpur Faridabad Tollway Limited** (“the Company”) as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

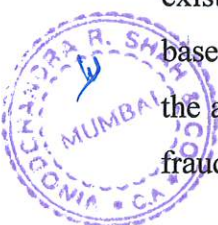
#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in “the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

#### **Auditor’s Responsibility**

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

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

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



## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Vinodchandra R Shah & Co.**

**Chartered Accountants**

**FRN: 115394W**



**Uday V. Shah**

**Partner**

**M No: 035626**

**Date: 16/05/2023**

**Place: Mumbai**

**UDIN:- 23035626BGWNLI8860**



Badarpur Faridabad Tollway Limited

CIN :U45203MH2008PLC184750

Balance Sheet as at 31st March 2023

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

Particulars	Note	As at March 31,2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	3.56	3.86
<b>Financial Assets</b>			
Other Financial Assets	4	3.08	3.08
Non Current Tax Assets (Net)	5	2.90	201.39
Other non - current assets	6a	-	-
<b>Current assets</b>			
<b>Financial Assets</b>			
Investments	7	53.29	50.39
Trade receivables	8	-	-
Cash and cash equivalents	9	32.99	31.99
Other financial asset	10	0.98	0.98
Current Tax Assets (Net)			
Other current assets	6b	5.01	5.08
<b>Total Assets</b>		<b>101.81</b>	<b>296.77</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	19,065.90	19,280.26
Reserves and surplus	13	(29,790.35)	(29,823.81)
<b>Total equity</b>		<b>(924.45)</b>	<b>(743.55)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Current liabilities</b>			
Financial Liabilities			
Trade payables	14	111.65	153.93
Other financial liabilities	15	791.51	754.46
Other current liabilities	16	0.06	0.05
Provisions	17	123.04	131.88
Current Tax Liabilities (Net)			
<b>Total Equity and Liabilities</b>		<b>101.81</b>	<b>296.77</b>

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

For and on behalf of the Board of Directors

As per our report of even date

For Vinodchandra R. Shah & Co.

Chartered Accountants

ICAI Registration No. 115394W

Uday Shah  
Partner

Membership No.:035626



*Atul Kumar*

Atul Kumar

Director

DIN No: 08436148

*Shekhar S. Mordekar*

Shekhar S. Mordekar

Director

DIN No: 08941107

Place: Mumbai

Date: 16/05/2023

UDIN: 23035626BG1WNL18860

Place: Mumbai

Date: 16/05/2023

**Badarpur Faridabad Tollway Limited**  
**CIN :U45203MH2008PLC184750**  
**Statement of Profit and Loss for the year ended March 31,2023**  
(All amounts are in Rs lakhs, unless stated otherwise)

Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from Operations	18	-	-
Other Income	19	69.53	21.89
<b>Total Income (I)</b>		<b>69.53</b>	<b>21.89</b>
<b>Expenses</b>			
Employee benefits expense	20	-	-
Finance costs	21	-	0.06
Depreciation and amortization expense	22	0.32	0.56
Other expenses	23	35.75	25.50
<b>Total expenses (II)</b>		<b>36.07</b>	<b>26.12</b>
<b>Profit / (loss) before exceptional items and tax. III ( I - II )</b>		<b>33.46</b>	<b>(4.23)</b>
<b>Exceptional Items - Income (IV)</b>		-	-
<b>Profit / (loss) before tax.V (III -IV)</b>		<b>33.46</b>	<b>(4.23)</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		-	-
- 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>Total Comprehensive Income for the period, net of tax (B)</b>		-	-
<b>Profit/(Loss) for the period. VII( V- VI)</b>		<b>33.46</b>	<b>(4.23)</b>
<b>Earnings per equity share of Rs. 10 each</b>			
Basic	24	0.03	(0.10)
Diluted		-	-

The accompanying notes are an integral part of these financial statements

As per our report of even date  
**For Vinodchandra R. Shah & Co.**  
Chartered Accountants  
ICAI Registration No. 115394W

*Uday Shah*

Uday Shah  
Partner  
Membership No.:035626



*Atul Kumar*

Atul Kumar  
Director  
DIN No: 08436148

*Shekhar S. Mordekar*

Shekhar S. Mordekar  
Director  
DIN No: 08941107

Place: Mumbai  
Date: 16/05/2023  
UDIN: 23035626BGWNL18860

Place: Mumbai  
Date: 16/05/2023



**Badarpur Faridabad Tollway Limited**

CIN :U45203MH2008PLC184750

Cash flow statement for the period ended 31st March,2023

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

Particulars	Year ended March 31, 2023	Year ended 31 March 2022
<b>A Cash Flow from operating activities</b>		
Profit before income tax including discontinued operations	33.46	(4.23)
Adjustments for		
Add:		
Depreciation and amortisation expenses	0.32	0.56
Finance costs	-	-
Less:		
Miscellaneous Income	-	-
Gain on investment	(2.90)	(1.64)
<b>Change in operating assets and liabilities</b>		
(Increase)/decrease in trade receivables	-	-
(Increase)/decrease in other financial assets(Current)	0.00	(0.56)
(Increase)/decrease in other financial assets(Non-Current)	0.00	-
(Increase)/decrease in other non-current assets	-	-
(Increase)/decrease in other current assets	0.07	(0.07)
(Increase)/decrease in inventories	-	-
Increase/(decrease) in trade payables	(42.28)	(46.36)
Increase/(decrease) in other financial liabilities	37.00	(125.32)
Increase/(decrease) in provisions	(8.84)	1.06
Increase/(decrease) in other non-current liabilities	-	-
Increase/(decrease) in other current liabilities	0.04	(0.39)
	<b>16.88</b>	<b>(176.94)</b>
<b>Cash generated from operations</b>		
Income taxes paid	198.49	791.71
<b>Net cash inflow from operating activities</b>	<b>215.36</b>	<b>614.77</b>
<b>B Cash flow from investing activities:</b>		
Subordinate Debt from Promoters	-	-
Received from NHAI(Termination payment- part)	-	-
Interest received	-	-
<b>Net cash outflow from investing activities</b>	<b>-</b>	<b>-</b>
<b>C Cash flow from financing activities</b>		
Repayment of Sub Debt	(214.36)	(614.66)
Finance Charges	-	-
<b>Net cash inflow (outflow) from financing activities</b>	<b>(214.36)</b>	<b>(614.66)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1.00</b>	<b>0.30</b>
Add: Cash and cash equivalents at the beginning of the financial year	31.99	31.69
<b>Cash and cash equivalents at the end of the year</b>	<b>32.99</b>	<b>31.99</b>
<b>Reconciliation of Cash Flow statements as per the cash flow statement</b>		
<b>Cash Flow statement as per above comprises of the following</b>	<b>30 June 2022</b>	<b>31 March 2022</b>
Cash and cash equivalents	32.99	31.99
Bank overdrafts	-	-
<b>Balances as per statement of cash flows</b>	<b>32.99</b>	<b>31.99</b>
The accompanying notes are an integral part of the financial statements.		

As per our report of even date

**For Vinodchandra R. Shah & Co.**

Chartered Accountants

ICAI Registration No. 115394W

*Vinodchandra R. Shah*

Uday Shah

Partner

Membership No.:035626

Manager



Atul Kumar

Director

DIN No: 08436148

*Atul Kumar*

*Shekhar S. Mordekar*

Shekhar S. Mordekar

Director

DIN No: 08941107

Place : Mumbai

Date: 16/05/2023

UDIN: 23035626BGWNL18860

Place : Mumbai

Date: 16/05/2023

Badarpur Faridabad Tollway Limited

CIN :U45203MH2008PLC184750

Notes to the financial statements for the year ended 31st March 2023

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

<b>A</b>	<b>Equity share capital</b>	
	As at 1st April 2022	9,800.00
	changes in equity share capital	-
	Balance as at 31st March 2023	9,800.00

**B Statement of changes in equity**

Particulars	Equity Component of Financial Instruments	Capital Contribution	Reserves and Surplus	Total
	Subordinate Debt Classified as Equity	Corporate Guarantee	Retained Earnings	
Transfer to retained earnings				
<b>Balance as at 1st April, 2022</b>	<b>18,139.72</b>	<b>-</b>	<b>(29,823.81)</b>	<b>(11,684.09)</b>
Profit/ (Loss) for the year	-	-	33.46	<b>33.46</b>
Capital Contribution	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-
Total Comprehensive Income for the year	(214.36)	-	33.46	<b>33.46</b>
Transfer to retained earnings	-	-	-	-
<b>Balance as at 31st March 2023</b>	<b>17,925.36</b>	<b>-</b>	<b>(29,790.35)</b>	<b>(11,650.63)</b>

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

As per our report of even date

**For Vinodchandra R. Shah & Co.**

Chartered Accountants

ICAI Registration No. 115394W

*Uday Shah*

Uday Shah  
Partner  
Membership No.:035626



*Atul Kumar*  
Atul Kumar  
Director  
DIN No: 08436148

*Shekhar S.*  
Shekhar S.  
Director  
DIN No: 08941107

Place: Mumbai  
Date: 16/05/2023  
UDIN: 23035626BGWNL18860

Place: Mumbai  
Date: 16/05/2023



## Badarpur Faridabad Tollway Limited

### Notes to the financial statements for the year ended 31st March 2023

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

#### 1 Corporate information

{a} Badarpur Faridabad Tollway Limited ( the Company) was incorporated under the Companies Act, 1956, on 17th July, 2008 as a Special Purpose Vehicle for Design, Engineering, Finance, Construction, Operation & Maintenance of 6 lane Elevated Highway from Kms 16.100 to 20.500 on Delhi- Agra Section of NH-2 in the states of Delhi/Haryana on BOT basis awarded by National Highway Authority of India (NHAI).

The Company has executed a Concession Agreement with NHAI on 4th September, 2008. NHAI has granted concession period of 20 years to the company for the above project, of which 2 years of construction and 18 years of operations and maintenance. Commercial Operation Date of the project was achieved on 30th November 2010.

The Company has issued Termination notice to NHAI on 01.09.2017 under Article 34.8 of the CA due to occurrence of Political Force Majeure Event on account of imposition of environmental compensation charges and other restrictions on the commercial vehicles entering into Delhi as per the Supreme Court Orders and demanded Termination Payment of Rs 775 Cr. The NHAI has refuted the Termination initiated by the Company. In lieu of this force majeure event, the Company has filed an application under Sec-9 of Arbitration and Conciliation Act before Hon'ble Delhi High Court for recovery of termination payment.

The Company has signed a one time Settlement agreement on 26th March 2020 with NHAI for payment of Rs. 302.41 Cr including interest (Principal amount – Rs.246.73 Cr & Interest – Rs.55.68 Cr ). NHAI has released 75% of settlement amounting to Rs. 218.93 Cr upto 31st March 2020 and balance 25% claim amount received from NHAI in June 2020..

{b} The Company Law Tribunal, sanctioned the Scheme of Amalgamation /Merger /Demerger /Reconstruction on 9th February 2023 in Company Petition no. CP (CAA)/117 MB-IV/2022 IN CA (CAA)/271/MB/2021 under section 230 to 232 of the Companies Act 2013/ Confirmation Order of Regional Director/Reserve Bank of India sanctioned the Scheme of Amalgamation or reconstruction under section 44A of the Bank Regulation Act 1949

Pursuant to scheme of merger via NCLT order dated 9th February, 2023 the parent company ie HCC Concessions Ltd (transferor company) has been merged with HCC Infrastructure Company Limited (transferee company).

The Company has signed a Settlement agreement on 19th March 2020 with the lenders wherein loan and interest payable as on 31.3.2020 has been settled for an amount of Rs. 347.64 Cr as against payable of Rs. 733.77 Cr. Balance loan and interest has been written back. Payment to the lenders were made from the claim amount received from NHAI to the extent of Rs. 292.76 Cr (Net of TDS ) and Promoters Contribution to the extent of Rs.47.20 Cr and Lenders have also utilised an amount of Rs 13.86 cr from the Company 's escrow account for under recovery of Rs 9.86 cr from NHAI on account of TDS deduction and the excess recovery of Rs 4 cr towards settlement of loan on 29 September 2020. Therefore the lenders have received an amount aggregating to Rs 353.82 cr against the agreed settlement amount of Rs 347.64cr. Lenders has issued No Dues Certificate on 14 October 2020 to the company.

#### 2 Summary of significant accounting policies

##### (a) Basis of preparation

The financial statements are prepared on an accrual basis of accounting and in accordance with the Indian Accounting Standards ( Ind AS ) notified under the companies (Indian Accounting standards ) Rules, 2015 as amended by the companies (Indian Accounting standard ) Rules 2016.

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

IndAS115:

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled. The new revenue standard is applicable to the Company from 1 April 2018.

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

- i fair value
- ii assets under service concession arrangement

##### (b) Current & Non Current classification

Current Asset :

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

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

All other assets shall be classified as non-current.



**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March 2023**

**Current Liabilities:**

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

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

All other liabilities shall be classified as non-current.

**(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 2023**

- (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.

**(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.

**(I) 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.

**(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.



**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March 2023**

**(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 2023**

(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 compared at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or companies 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 2023**

(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 2023**

**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.

Dividend income is recognized when the right to receive is established. Other items of income are accounted as and when the right to receive arises and recovery is certain.

**(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.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are disclosed below.

**(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 2023**  
**(All amounts are in Rs lakhs, unless stated otherwise)**

**3 Property, Plant and Equipment**

**( Rs in Lakhs)**

<b>Particulars</b>	<b>Furniture</b>	<b>Computers</b>	<b>Office Equipment</b>	<b>Total</b>
Gross Block				
Balance as at 1st April 2022	1.58	58.93	14.68	75.20
<b>Additions</b>	-	-	-	-
<b>Balance as at 31st March 2023</b>	<b>1.58</b>	<b>58.93</b>	<b>14.68</b>	<b>75.20</b>
<b>Accumulated Depreciation</b>				
Balance as at 1st April 2022	(1.29)	(55.36)	(14.68)	(71.33)
Depreciation	(0.08)	(0.23)	-	(0.31)
<b>Balance as at 31st March 2023</b>	<b>(1.37)</b>	<b>(55.59)</b>	<b>(14.68)</b>	<b>(71.64)</b>
Net Block				
Balance as at 1st April 2022	0.29	3.57	-	3.87
<b>Balance as at 31st March 2023</b>	<b>0.21</b>	<b>3.34</b>	<b>-</b>	<b>3.56</b>

**Badarpur Faridabad Tollway Limited****Notes to the financial statements for the year ended 31st March 2023**

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

**4 Other financial assets**

(Unsecured unless otherwise stated)

Particulars	As at March 31,2023	As at March 31, 2022
<b>Non-current</b>		
<b>Considered good</b>		
Security Deposits	3.08	3.08
<b>Non-current total</b>	<b>3.08</b>	<b>3.08</b>

**5 Non Current Tax Assets (Net)**

Particulars	As at March 31,2023	As at March 31, 2022
Prepaid Taxes ( Net of Provisions )	2.90	201.39
<b>Closing Balance</b>	<b>2.90</b>	<b>201.39</b>

**6 Other Assets**

Particulars	As at March 31,2023	As at March 31, 2022
<b>6a Non current assets</b>		
Balance with Government Authorities	-	-
<b>Non-current Total</b>	<b>-</b>	<b>-</b>

Particulars	As at March 31,2023	As at March 31, 2022
<b>6b Other Current assets</b>		
Prepaid expenses	-	0.07
Security Deposit	5.01	5.01
<b>Current Total</b>	<b>5.01</b>	<b>5.08</b>

**7 Current investments**

Particulars	As at March 31,2023	As at March 31, 2022
<b>Investments in Mutual Funds</b>		
Fair value through profit or loss		
Quoted		
1976.26( 31 March 2022 : 1976.26.00) units in Canara	53.29	50.39
Robeco Mutual Fund		
<b>Total</b>	<b>53.29</b>	<b>50.39</b>
Aggregate amount of quoted investments	53.29	50.39
Market value of quoted investments	53.29	50.39



**Badarpur Faridabad Tollway Limited****Notes to the financial statements for the year ended 31st March 2023**

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

**8 Trade receivable**

Particulars	As at March 31,2023	As at March 31, 2022
Trade receivable	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**9 Cash and cash equivalents**

Particulars	As at March 31,2023	As at March 31, 2022
Cash on hand		-
Balances with Banks		
In current accounts	25.58	24.58
Term deposits with original maturity of less than three months	7.41	7.41
<b>Total</b>	<b>32.99</b>	<b>31.99</b>

**10 Other Financial Asset**

Particulars	As at March 31,2023	As at March 31, 2022
<b>Current</b>		
Interest accrued on FD	0.98	0.98
<b>Total</b>	<b>0.98</b>	<b>0.98</b>

**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March 2023**  
(All amounts are in Rs lakhs, unless stated otherwise)

**11 Equity Share capital**

Particulars	As at March 31,2023	As at March 31, 2022
<b>Authorised</b>		
10,000,0000 (31 March 2022: 10,000,0000) equity shares of Rs 10/- each	10,000	10,000
<b>Issued, subscribed and fully paid up</b>		
98,000,000 (31 March 2022:98,000,000 ) equity shares of Rs 10/- each.	9,800	9,800
	<b>9,800</b>	<b>9,800</b>

**a) Reconciliation of number of shares**

	No of Shares	Amount
<b>Equity Shares :</b>		
Balance as at the 1st April 2022	980.00	9,800.00
Add: Issued during the year	-	-
Balance as at the 31st March 2023	980.00	9,800.00

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

	As at March 31,2023		As at March 31, 2022	
Particulars	No of shares (in lakhs)	% of Shareholding	No of shares (in lakhs)	% of Shareholding
Equity shares of Rs 10/- each fully paid				
HCC Infrastructure Company Limited	980	100%	980	100%

**c) Shareholding of Promoters**

**Shares held by promoters at March 31, 2023**

Sr. No	Name of the Promoter	No of Shares (In lakhs)	% of total shares
1	HCC Infrastructure Company Limited	980	100%
	(Refer Note 1)		
	Total	980	
	Total No of Shares issued and Subscribed	980	

**Shares held by promoters at March 31, 2022**

Sr. No	Name of the Promoter	No of Shares (In lakhs)	% of total shares
1	HCC Concessions Ltd	980	100%
	Total	980	
	Total No of Shares issued and Subscribed	980	

Note1 : Pursuant to scheme of merger via NCLT order dated 9th February, 2023 the parent company ie HCC Concessions Ltd (transferor company) has been merged with HCC Infrastructure Company Limited (transferee company).

**12 Capital contribution from holding Company**

Particulars	As at March 31,2023	As at March 31, 2022
Subordinate loan classified as equity	17,925.36	18,139.72
Capital contribution (Corporate Guarantee)	1,140.54	1,140.54
<b>Total</b>	<b>19,065.90</b>	<b>19,280.26</b>

**13 Reserves and Surplus**

Particulars	As at March 31,2023	As at March 31, 2022
Retained Earnings	(29,790.35)	(29,823.81)
<b>Total reserves and surplus</b>	<b>(29,790.35)</b>	<b>(29,823.81)</b>

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

Particulars	As at March 31,2023	As at March 31, 2022
Opening balance	(29,823.81)	(29,819.58)
Add: Profit/(Loss) for the year	33.46	(4.23)
<b>Closing Balance</b>	<b>(29,790.35)</b>	<b>(29,823.81)</b>



**Badarpur Faridabad Tollway Limited****Notes to the financial statements for the year ended 31st March 2023**

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

**14 Trade payables**

Particulars	As at March 31,2023	As at March 31, 2022
Others	111.65	153.93
<b>Total</b>	<b>111.65</b>	<b>153.93</b>
Trade Payable Ageing Schedule As at March 31, 2023		
Range of O/s year	Others Undisputed	Disputed
Unbilled		MSME Undisputed
Not Due	-	-
Less than 1 year	-	-
1-2 years	-	-
2-3 year	-	-
> 3 years	111.65	-
<b>Total</b>	<b>111.65</b>	<b>-</b>
As at March 31, 2022		
Range of O/s year	Others Undisputed	Disputed
Unbilled	-	-
Not Due	-	-
Less than 1 year	-	-
1-2 years	-	-
2-3 year	-	-
> 3 years	153.93	-
<b>Total</b>	<b>153.93</b>	<b>-</b>

**15 Other financial liabilities**

Particulars	As at March 31,2023	As at March 31, 2022
Deposit payable(POS)	9.14	9.14
Payable to Related Party	782.37	745.32
<b>Total</b>	<b>791.51</b>	<b>754.46</b>

**16 Other current liabilities**

Particulars	As at March 31,2023	As at March 31, 2022
Statutory Dues	0.06	0.05
<b>Total</b>	<b>0.06</b>	<b>0.05</b>

**17 Provisions**

Particulars	As at March 31,2023	As at March 31, 2022
Provision for expenses	123.04	131.88
<b>Total</b>	<b>123.04</b>	<b>131.88</b>

**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March 2023**  
(All amounts are in Rs lakhs, unless stated otherwise)

**18 Revenue from Operations**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Operating Income		
Toll Revenue	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**19 Other income**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income	15.88	20.26
Change in Fair value of Investments	2.90	1.64
Other Income	50.75	
<b>Total</b>	<b>69.53</b>	<b>21.89</b>

**20 Employee benefits expenses**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**21 Finance costs**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other borrowing costs		0.06
<b>Total</b>		<b>0.06</b>

**22 Depreciation and amortization expense**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on Property, Plant and Equipment	0.32	0.56
<b>Total</b>	<b>0.32</b>	<b>0.56</b>



**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March 2023**  
(All amounts are in Rs lakhs, unless stated otherwise)

**23 Other expenses**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Audit fees	0.95	0.50
Rates and Taxes	0.03	16.88
Director Sitting Fees	-	-
Legal, Professional and Consultancy Charges	1.19	1.49
CSR Expenditure	33.52	-
Miscellaneous Expenses	0.06	6.66
<b>Total</b>	<b>35.75</b>	<b>25.50</b>

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Details of payment to auditors		
Statutory Audit fees	0.50	0.50
Tax audit fees	-	-
Others & Taxes	0.45	-
<b>Total</b>	<b>0.95</b>	<b>0.50</b>

24 Earnings per share (EPS)	Year ended March 31, 2023	Year ended March 31, 2022
Net profit/ (loss) for calculation of basic	33.46	(101.53)
Number of equity shares in calculating basic EPS	980.00	980.00
<b>Basic EPS</b>	<b>0.03</b>	<b>(0.10)</b>

**25 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.

**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March 2023**  
(All amounts are in Rs lakhs, unless stated otherwise)

**26 Contingent Liabilities**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Claims /penalty against the company not acknowledged as debt :		
Interest on Retention Payable & Bank Guarantee Commission Chgs <sup>^^</sup>	606.67	606.67
Feedback Highways OMT Pvt Ltd	231.40	-
<b>Total</b>	<b>838.07</b>	<b>606.67</b>
Note:		

- <sup>^^</sup> 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.
- Company has received Letter from Feedback Highways OMT Pvt Ltd claiming amount of Rs 231.40 Lacs towards outstandings for services rendered..

	Year ended March 31, 2023	Year ended March 31, 2022
<b>27 Corporate Social Responsibility Expenditure</b>		
CSR Expenditure		
Amount to be spent as per Section 135 of Co's Act	33.52	-
**Amount spent during this year	33.52	-
**Armed Forces Battle Casualties Welfare Fund.		
<b>Total</b>	<b>-</b>	<b>-</b>

**28 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>



**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March 2023**  
(All amounts are in Rs lakhs, unless stated otherwise)

**29 Net worth and Going concern assumption**

	<b>As at March 31,2023</b>	<b>As at March 31,2022</b>
Accumulated losses	(29,790.35)	(29,823.81)
Capital	9,800.00	9,800.00
Excess of losses over capital	(19,990.35)	(20,023.81)

The Company has issued Termination notice to NHAI on 01.09.2017 under Article 34.8 of the CA due to occurrence of Political Force Majeure Event on account of imposition of environmental compensation charges and other restrictions on the commercial vehicles entering into Delhi as per the Supreme Court Orders and demanded Termination Payment of RS 775 Cr. The NHAI has refuted the Termination initiated by the Company. In lieu of this force majeure event, the Company has filed an application under Sec-9 of Arbitration and Conciliation Act before Hon'ble Delhi High Court for recovery of termination payment.

The Company has signed a one time Settlement agreement on 26th March 2020 with NHAI for payment of Rs. 302.41 Cr including interest (Principal amount – Rs.246.73 Cr & Interest – Rs.55.68 Cr ). NHAI has released 100% of settlement amount (net of TDS) upto 30 June 2020.

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

### 30 Badarpur Faridabad Tollway Limited

#### Notes to the financial statements for the year ended 31st March 2023

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

#### Ratio Analysis

	Ratio	Numerator/ Denominator	Ratio (2022-23)	Ratio (2021-22)
1	Current ratio	<u>Current Asset</u> Current Liabilities	8.99 -	8.50 -
2	Debt-Equity ratio	<u>Total Debts</u> Shareholders Equity	-	-
3	Debt Service Coverage ratio	<u>Earnings available for debt service</u>  Debt Service	-	-
4	Return on Equity ratio ( ROE)	<u>Net Profits after taxes – Preference Dividend</u>  Average Shareholder's Equity	(4.01)	5.71
5	Inventory Turnover Ratio	<u>Cost of goods sold OR sales</u>  Average Inventory	-	-
6	Trade Receivables turnover ratio	<u>Net Credit Sales</u>  Average Accounts Receivable	-	-
7	Trade payables turnover ratio	<u>Net Credit Purchases</u>  Average Trade Payables	-	-
8	Net capital turnover ratio	<u>Net Sales</u>  Average working capital	-	-
9	Net profit ratio	<u>Net Profit after Tax</u> Net Sales	-	-
10	Return on Capital employed (ROCE)	<u>Earning before interest and taxes</u>  Capital Employed	(3.62)	0.57
11	Return on Investment (ROI)	<u>Net Income</u> Cost of Investment	0.34	(0.04)



Badarpur Faridabad Tollway Limited  
Notes to the financial statements for the year ended 31st March 2023  
(All amounts are in Rs. lakhs, unless stated otherwise)

31 Net Debt Reconciliation

Particulars	As at March 31,2023	As at March 31, 2022
Cash and Cash Equivalents	32.99	31.99
Liquid Investments (i)	53.29	50.39
Current Borrowings	-	-
Non-Current Borrowings	-	-
Interest Accrued - Current	-	-
Interest Accrued - Non Current	-	-
<b>Net Debt</b>	<b>86.28</b>	<b>82.38</b>

Particulars	Cash and Cash Equivalents	Liquid Investments	Non-Current Borrowings	Interest Payable	TOTAL
<b>Net Debt as at 1st April 2022</b>	<b>31.99</b>	<b>50.39</b>	-	-	<b>82.38</b>
Cash Flows	1.03	-	-	-	1.03
Interest Expense	-	-	-	-	-
Interest paid	-	-	-	-	-
Other Non cash movements	-	-	-	-	-
-Acquisitions/ Disposals	-	-	-	-	-
-Fair Value Adjustments	-	2.90	-	-	2.90
<b>Net Debt as at 31st Mar 2022</b>	<b>33.02</b>	<b>53.29</b>	-	-	<b>86.28</b>

**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements as on 31st March 2023**  
(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 Infrastructure Company Ltd

Pursuant to scheme of merger via NCLT order dated 9th February, 2023 the parent company ie HCC Concessions Ltd (transferor company) has been merged with HCC Infrastructure Company Limited (transferee company).

Ultimate Holding Company

Hindustan construction Company Limited

Fellow Subsidiary

Highbar Technologies Limited

HCC Infrastructure Company Ltd

HCC Operations & Maintenance Limited

Directors

Shekhar S. Mordekar (with effect from 11/11/20)

Atul Kumar (with effect from 11/11/20)

Amit Agarwal (with effect from 15/03/2023)

Key Managerial Personnel

Sanjay Srivastava - Chief Financial Officer

Firoz Navroze Deboo - Manager

Rupali Vaidya -Company Secretary

		As at March 31,2023	As at March 31, 2022
<b>Transactions with Related Parties</b>			
Subordinate loan classified as equity			
HCC Infrastructure Company Ltd	Holding Company	17,925.36	18,139.72
<b>Total</b>		<b>17,925.36</b>	<b>18,139.72</b>
<b>Capital contribution (Corporate Guarantee)</b>			
HCC Infrastructure Company Ltd	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	103.45	103.44
HCC Infrastructure Company Ltd	Holding Company	37.05	-
HCC Operations & Maintenance Limited	Fellow Subsidiary	62.87	62.87
<b>Total</b>		<b>203.37</b>	<b>166.31</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 Infrastructure Company Ltd	Holding Company	9,800.00	9,800.00
<b>Total</b>		<b>9,800.00</b>	<b>9,800.00</b>



**Badarpur Faridabad Tollway Limited**  
**Statement of Profit and Loss for the period ended 31st March 2023**  
(All amounts are in Rs. lakhs, unless stated otherwise)

**33 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 int

Particulars	As at 31-03-2023	As at 31.03.2022
Variable rate borrowings	-	-
Total borrowings	-	-

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 Mar 2023**

	Less than 1 Year	1 to 2 Years	3 to 5 Years	Over 5 Years	Total
Non-derivatives					
Other Financials liabilities	791.51				791.51
Trade and other payables	111.65				111.65
<b>Total non-derivatives</b>	<b>903.16</b>	-	-	-	<b>903.16</b>
Derivatives (N.A)	-	-	-	-	-
<b>Total</b>	<b>- 903.16</b>	-	-	-	<b>903.16</b>

**As At March-2022**

	Less than 1 Year	1 to 2 Years	3 to 5 Years	Over 5 Years	Total
Non-derivatives					
Borrowings	754.46				754.46
Trade and other payables	153.93	-	-		153.93
<b>Total non-derivatives</b>	<b>- 908.39</b>	-	-	-	<b>908.39</b>
Derivatives (N.A)	-	-	-	-	-
<b>Total</b>	<b>- 908.39</b>	-	-	-	<b>908.39</b>

**Badarpur Faridabad Tollway Limited**  
**Notes to the financial statements for the year ended 31st March 2023**  
(All amounts are in Rs lakhs, unless stated otherwise)

Previous years figures  
Figure for the previous year have been regrouped/recasted where ever necessary

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

As per our report of even date

**For Vinodchandra R. Shah & Co.**  
Chartered Accountants  
ICAI Registration No. 115394W



Uday Shah  
Partner  
Membership No.:035626



Atul Kumar  
Director  
DIN No: 08436148



Shekhar S. Mordekar  
Director  
DIN No: 08941107

Place:Mumbai  
Date: 16/05/2023  
UDIN: 23035626BGWNL18860

Place:Mumbai  
Date: 16/05/2023