

Independent Auditors' Report

To the Members of PS Toll Road Private Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the Ind AS Financial Statements of **PS Toll Road Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, 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 ("the Act"). 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 Act 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.

Emphasis of matter

We draw attention to Note 30 to the Ind AS financial statements, as regards to the management evaluation of COVID – 19 impact on the future performance of the Company.

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the 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 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 Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 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 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 Ind AS 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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 Act, 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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

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 Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity 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 Indian Accounting Standards prescribed 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 March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”;
- g) 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, the Company has not paid any remuneration to any of its directors during the year. Hence, the requirement of the Company for compliance under this section is not applicable.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its financial statements. - Refer Note 31 on Contingent Liabilities to the Financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration No. 101720W/ W100355

Parag D. Mehta
Partner
Membership No. 113904
UDIN: 21113904AAAABG8288

Place : Mumbai
Date : May 12, 2021

Annexure A to Auditors' Report
Referred to in our Auditors' Report of even date to the members of PS Toll Road Private Limited on the Ind AS financial statements for the year ended March 31, 2021

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets comprising of Intangible Assets and Intangible Assets under development.
- (b) As informed to us, the fixed assets included within the intangible assets have been physically verified by the Management during the year and no material discrepancies between the book records and the physical assets have been noticed.
- (c) The title deed of immovable property included within the intangible assets, as disclosed in note no.4 to the Ind AS financial statements is held in the name of the Company.
- (ii) As explained to us, there is no physical inventory in existence and hence, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted any loan, secured or unsecured, to any company, firm Limited Liability Partnerships or other parties covered in the register maintained under section 189 of Act. Accordingly, provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186(1) of the Act. Further, as the Company is engaged in the business of providing infrastructural facilities, the provisions of Section 186[except for sub-section(1)] are not applicable to it.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 of the Act and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, customs duty, excise duty, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, customs duty, excise duty, cess and other material statutory dues as applicable were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (c) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, goods and service-tax, customs duty, excise duty, as at March 31, 2021 which have not been deposited on account of a dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of loans to the financial institution and banks during the year refer note no. 10(a) (5a) and (5b) of financial statement. However Refer note 10 (4) of financial statement, due to covid-19 RBI has allowed moratorium till August 2020 for repayment of interest and principal which the Company has opted for the same. The Company has not taken any loans or borrowings from any government or debenture holders during the year. Details of default in repayment of loan to the financial institution and banks are as follows:
- a. The Company has defaulted in repayment of following dues to the banks and financial institution during the year, which were paid on or before the Balance Sheet date. Refer Note 10(a) (5a) of the Ind AS financial statement:

| Name of Lender | Borrowing | | Interest | |
|----------------|-------------------|-----------------------|-------------------|-----------------------|
| | Amount in Million | Period (Maximum days) | Amount in Million | Period (Maximum days) |
| IIFL | 17.53 | 89 | 79.24 | 89 |
| Axis Bank | 23.59 | 89 | 93.49 | 89 |
| IDFC | 21.34 | 89 | 98.86 | 89 |
| SBI Bank | 6.5 | 89 | 27.63 | 89 |

- b. The Company has defaulted in repayment of following dues to the banks and financial institution during the year which were not paid as at Balance Sheet date. Refer Note 10 (a) (5b) of the Ind AS financial statement:

| Name of Lender | Borrowing | | Interest | |
|----------------|-------------------|-----------------------|-------------------|-----------------------|
| | Amount in Million | Period (Maximum days) | Amount in Million | Period (Maximum days) |
| IIFL | 13.14 | 1 | 59.07 | 60 |
| Axis Bank | 17.80 | 1 | 76.86 | 60 |
| IDFC | 15.91 | 1 | 75.45 | 60 |
| SBI Bank | 4.85 | 1 | 24.46 | 60 |

- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and in our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, the Company has not paid/provided any managerial remuneration for the year ended March 31, 2021 and accordingly, paragraph 3 (xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act and details of such transactions have been disclosed in the Ind AS Financial statements as required by the applicable accounting standards. As per information and explanations given to us, Section 177 of the Act is not applicable to the Company.
- (xiv) According to the information and explanations give 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 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.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm's Registration No. 101720W/ W100355

Parag D. Mehta
Partner
Membership No. 113904
UDIN: 21113904AAAABG8288

Place: Mumbai
Date: May 12, 2021

Annexure – B to Auditor’s report

Annexure to the Independent Auditor’s Report referred under the heading “Report on other legal and regulatory requirements” of our report of even date on the Ind AS financial statements of PS Toll Road Private Limited

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

We have audited the internal financial controls over Financial Reporting of PS Toll Road Private Limited (“the Company”) as of March 31, 2021 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 (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to financial statements reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to financial statements and their operating effectiveness.

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

Meaning of Internal Financial Controls with reference to the Financial Statements

A company's internal financial control over financial reporting with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over financial reporting with reference to the Financial Statements

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 with reference to financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to 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 Chaturvedi & Shah & LLP
Chartered Accountants
Firm Registration No. 101720W/W100355

Parag D. Mehta
Partner
Membership No. 113904
UDIN: 21113904AAAABG8288

Place : Mumbai
Date : May 12, 2021

PS Toll Road Private Limited
Balance Sheet as at March 31, 2021

Rs. Millions

| Particulars | Note | As at March 31, 2021 | As at March 31, 2020 |
|--|------|-------------------------|-------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| (a) Concession Intangible assets | 4 | 21,943.61 | 23,575.63 |
| (b) Intangible assets under development | 4 | 11,489.58 | 10,353.50 |
| (c) Other non - current assets | 6 | 368.52 | 351.04 |
| (d) Current Tax Assets (Net) | | 52.35 | 59.01 |
| Total Non-Current Assets | | 33,854.06 | 34,339.18 |
| Current assets | | | |
| (a) Financial Assets | | | |
| (i) Cash and cash equivalents | 5a | 364.29 | 129.80 |
| (ii) Bank balances other than (i) above | 5b | - | 43.10 |
| (iii) Loans | 5c | 0.56 | 0.03 |
| (iv) Other financial asset | 5d | 233.93 | 238.07 |
| (b) Other current assets | 7 | 82.93 | 149.68 |
| Total Current Assets | | 681.71 | 560.68 |
| Total Assets | | 34,535.77 | 34,899.86 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 8 | 0.11 | 0.11 |
| (b) Subordinated debt (in nature of Equity) | 9a | 10,785.11 | 10,785.11 |
| (c) Other equity | 9b | 176.75 | 1,943.79 |
| Total Equity | | 10,961.97 | 12,729.01 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 10a | 7,490.62 | 7,319.68 |
| (ii) Other financial liabilities | 12b | 11,726.35 | 11,369.97 |
| (b) Provisions | 13b | 0.41 | 0.73 |
| (c) Deferred tax liabilities (Net) | 28 | - | 28.60 |
| Total Non-Current Liabilities | | 19,217.38 | 18,718.98 |
| Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 10b | 319.00 | 319.00 |
| (ii) Trade payables | | | |
| Total outstanding dues of creditors other than micro enterprises & small enterprises | 11 | 203.58 | 381.35 |
| (iii) Other financial liabilities | 12a | 3,832.40 | 2,746.53 |
| (b) Other current liabilities | 14 | 1.31 | 4.77 |
| (c) Provisions | 13a | 0.13 | 0.22 |
| Total Current Liabilities | | 4,356.42 | 3,451.87 |
| Total Equity and Liabilities | | 34,535.77 | 34,899.86 |

The accompanying notes are an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date.

For Chaturvedi & Shah LLP

Chartered Accountants
Firm's Regn. No. 101720W/W100355

Sh. Parag D. Mehta
Partner
Membership No. 113904

Date: 12th May 2021
Place: Mumbai

For and on behalf of the Board

Sh. Rajesh Das
Director
DIN: 08717511

Sh. Madan Pendse
Director
DIN: 07650301

Date: 12th May 2021
Place: Mumbai

PS Toll Road Private Limited
Statement of Profit and Loss for the year ended March 31, 2021

Rs. Millions

| Particulars | Note | Year ended March 31, 2021 | Year ended March 31, 2020 |
|--|------|------------------------------|------------------------------|
| Revenue from Operations | 15 | 2,920.33 | 3,339.89 |
| Other Income | 16 | 9.84 | 6.43 |
| Total Income | | 2,930.17 | 3,346.32 |
| Expenses | | | |
| Toll Operation and Maintenance expenses | 17 | 339.54 | 311.74 |
| Construction cost | | 599.61 | 496.48 |
| Employee benefits expense | 18 | 42.31 | 46.63 |
| Finance costs | 19 | 2,010.20 | 1,953.36 |
| Amortization expense | 4 | 1,632.02 | 1,631.46 |
| Other expenses | 20 | 99.48 | 76.21 |
| Total expenses | | 4,723.16 | 4,515.88 |
| Loss before tax | | (1,792.99) | (1,169.56) |
| Tax expense | | | |
| Deferred tax charge/(credit) | | (27.91) | (430.20) |
| Income tax for earlier years | | - | - |
| Loss after tax | | (1,765.08) | (739.36) |
| Other Comprehensive Income | | | |
| - Items that will not be reclassified to profit/loss | | | |
| Remeasurements of net defined benefit plans : Gains / (Loss) | | (2.65) | (0.17) |
| - Income tax relating to above | | (0.69) | (0.04) |
| Other Comprehensive Income/(Loss) | | (1.96) | (0.13) |
| Total Comprehensive Income /(Loss) | | (1,767.04) | (739.49) |
| Earnings/(loss) per equity share (Face value of Rs. 10 per share) | | | |
| Basic & Diluted | 29 | (1,64,591.32) | (68,944.78) |

The accompanying notes are an integral part of the financial statements
As per our attached report of even date.

For Chaturvedi & Shah LLP

Chartered Accountants
Firm's Regn. No. 101720W/W100355

For and on behalf of the Board

Sh. Parag D. Mehta
Partner
Membership No. 113904
Date: 12th May 2021
Place: Mumbai

Sh. Rajesh Das
Director
DIN: 08717511
Date: 12th May 2021
Place: Mumbai

Sh. Madan Pendse
Director
DIN: 07650301

PS Toll Road Private Limited
Cash flow Statement for the year ended March 31, 2021

Rs. Millions

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|--|------------------------------|------------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Profit before tax | (1,792.99) | (1,169.56) |
| Adjustments for: | | |
| Amortisation expenses | 1,632.02 | 1,631.46 |
| Interest income | (2.48) | (2.80) |
| Interest expense | 2,010.20 | 1,953.36 |
| Excess provision for Leave Encashment written back | - | (3.63) |
| Provision for Gratuity and Leave encashment | 1.37 | 0.73 |
| | 1,848.12 | 2,409.56 |
| Cash Generated from Operations before working capital changes | | |
| Adjustments for: | | |
| (Increase)/decrease in financial assets | 46.71 | 46.05 |
| (Increase)/decrease in other current assets | 63.95 | (32.93) |
| Increase/(decrease) in trade payables | (177.77) | 130.72 |
| Increase/(decrease) in other financial liabilities | 8.03 | (1.50) |
| Increase/(decrease) in provisions | (3.06) | (6.03) |
| Increase/(decrease) in other current liabilities | (3.46) | (4.69) |
| | (65.60) | 131.62 |
| Cash generated from operations | 1,782.52 | 2,541.18 |
| Taxes (paid) net of refunds | 6.66 | (30.58) |
| Net cash generated from operating activities - [A] | 1,789.18 | 2,510.60 |
| B CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of intangible assets (including intangible asset under development, capital advance, capital creditors) | (1,060.77) | (1,760.31) |
| (Investment)/Redemption in Fixed deposits with Banks | - | (2.52) |
| Interest received | 2.48 | 2.80 |
| Net cash (used in) / generated from investing activities - [B] | (1,058.29) | (1,760.03) |
| C CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Proceeds from long term borrowings | - | 205.01 |
| Repayment of long term borrowings | (115.29) | (22.95) |
| Interest paid | (381.11) | (881.75) |
| Net cash used in financing activities - [C] | (496.40) | (699.69) |
| Net increase/(decrease) in cash and cash equivalents - [A+B+C] | 234.49 | 50.87 |
| Add: Cash and cash equivalents at the beginning of the year | 129.80 | 78.93 |
| Cash and cash equivalents at the end of the year | 364.29 | 129.80 |
| Components of Cash and cash equivalents | | |
| Balances with banks - in Current accounts | 363.89 | 129.80 |
| Cash on hand | 0.40 | - |
| Total Cash and cash equivalents | 364.29 | 129.80 |

The balance in current account with banks of Rs. 344.09 million (Rs. 129.39 million) lying in Escrow account with bank held as security against borrowings.

The accompanying notes are an integral part of the financial statements
As per our attached report of even date.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm's Regn. No. 101720W/W100355

For and on behalf of the Board

Sh. Parag D. Mehta
Partner
Membership No. 113904
Date: 12th May 2021
Place: Mumbai

Sh. Rajesh Das
Director
DIN: 08717511
Date: 12th May 2021
Place: Mumbai

Sh. Madan Pendse
Director
DIN: 07650301

PS Toll Road Private Limited
Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

Rs. Millions

| Particulars | Notes | Balance at the beginning of the year | Changes in equity share capital during the year | Balance at the end of the year |
|-------------------------------------|--------------|--------------------------------------|---|--------------------------------|
| For the year ended 31st March, 2020 | For the year | 0.11 | - | 0.11 |
| For the year ended 31st March, 2021 | | 0.11 | - | 0.11 |

B. SUB-ORDINATED DEBT (In Nature of equity)

| Particulars | Notes | Balance at the beginning of the year | Changes during the year | Balance at the end of the year |
|-------------------------------------|-------|--------------------------------------|-------------------------|--------------------------------|
| For the year ended 31st March, 2020 | | 10,785.11 | - | 10,785.11 |
| For the year ended 31st March, 2021 | 9a | 10,785.11 | - | 10,785.11 |

C. OTHER EQUITY

| Particulars | | Equity Component of compound financial instruments | Reserves and Surplus | Total |
|---|--|--|-----------------------------|------------|
| | | | Retained Earnings (Note 9c) | |
| Balance at April 01, 2019 | | 105.10 | 2,578.18 | 2,683.28 |
| Loss for the year | | | (739.36) | (739.36) |
| Other comprehensive income for the year | | | (0.13) | (0.13) |
| Total comprehensive income for the year | | - | (739.49) | (739.49) |
| Balance at 31st March, 2020 | | 105.10 | 1,838.69 | 1,943.79 |
| Balance at April 01, 2020 | | 105.10 | 1,838.69 | 1,943.79 |
| Loss for the year | | | (1,765.08) | (1,765.08) |
| Other comprehensive income for the year | | | (1.96) | 1.96 |
| Total comprehensive income for the year | | - | (1,767.04) | (1,767.04) |
| Balance at 31st March, 2021 | | 105.10 | 71.65 | 176.75 |

As per our report of even date attached

For Chaturvedi & Shah LLP
Chartered Accountants
Firm's Regn. No. 101720WWW100355

For and on behalf of the Board

Sh. Parag D. Mehta
Partner
Membership No. 113904
Date: 12th May 2021
Place: Mumbai

Sh. Rajesh Das
Director
DIN: 08717511
Date: 12th May 2021
Place: Mumbai

Sh. Madan Pendse
Director
DIN: 07650301

PS Toll Road Private Limited
Notes to Financial Statements as of and for the year ended March 31, 2021

Note 1: Corporate information

PS Toll Road Private Limited was awarded on Design, Build, Finance, Operate and Transfer (DBFOT) basis, augmentation of the existing road from km 725.00 to km 865.35 (approximately 140.35 km) on the Pune-Satara section of National Highway No.4 in the state of Maharashtra and operation and maintenance of the existing 4 lanes and additional 2 lanes as per the Concession Agreement dated March 10, 2010 of the National Highways Authority of India. The Concession Agreement is for a year of 24 years from October 01, 2010, being the appointed Date stated in clause 1.1 of the said agreement. The company is a subsidiary of Reliance Infrastructure Limited. Toll Collection Started from October 1,2010.

The Company is subsidiary of Reliance Infrastructure Limited. At the end of the Concession period, the entire facility will be transferred to NHAI.

The financial statements were authorized for issue by the Company's Board of Directors on May 07, 2020 Pursuant to the provisions of section 130 of the Act the Central Government, income tax authorities and other statutory regulatory body and section 131 of the Act the board of directors of the Company have powers to amend / re-open the financial statements approved by the board / adopted by the members of the Company.

The Company is a private limited company incorporated and domiciled in India. The registered office of the Company is located at Reliance Centre,19, Walchand Hirachand Marg, Ballard Estate, Mumbai 400 001.

Note 2: Basis of preparation

These Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. These Financial Statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III of the Act, applicable Ind AS, other applicable pronouncements and regulations.

These Financial Statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair value.

These Financial Statements are presented in ` Millions, except where otherwise indicated.

The financial statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III to the Act, applicable Ind AS, other applicable pronouncements and regulations.

Note 3: Summary of Significant accounting policies

3.1 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

PS Toll Road Private Limited
Notes to Financial Statements as of and for the year ended March 31, 2021

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3.2 Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional statements are presented in Indian Rupees (₹), which the company's functional and presentation currency.

3.3 Fair value measurement

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

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

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

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring and non – recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

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

Disclosures for valuation methods, significant estimates and assumptions of Financial instruments (including those carried at amortised cost (note 21) and Quantitative disclosures of fair value measurement

PS Toll Road Private Limited
Notes to Financial Statements as of and for the year ended March 31, 2021

hierarchy (note 22).

3.4 Revenue recognition

Revenue is recognized up on transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in exchange for those services.

Toll revenue

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

Contract revenue (construction contracts)

Effective from April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. There was no impact on adoption of Ind AS 115 in the financial statements.

Contracts revenue is recognised over time by measuring progress towards complete satisfaction of the performance obligation at the reporting date, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, using the input method. Contract costs are recognised as expenses in the period in which they are incurred except when the costs are the costs generate or enhance resources of the entity that will be used in satisfying performance obligation in future.

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.

The Company accounts for a contract modification (change in the scope or price (or both)) when that is approved by the parties to the contract.

Where the outcome of a performance obligation cannot be reasonably measured, contract revenue is recognised to the extent of costs incurred in satisfying the performance obligation that is expected to be recovered.

When it becomes probable that total contract costs will exceed total contract revenue, the Company recognizes expected losses from contracts as an expense immediately.

Others

Interest Income on financial assets measured at amortized cost is recognised using the effective interest rate method.

Dividends are recognised in the Statement of profit and loss only when the right to receive payment is established.

3.5 Accounting of intangible assets under service concession arrangement

The Company has Toll Road Concession rights where it Builds, Operates and Transfers (BOT) 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.

The intangible assets is measured at the fair value of consideration transferred to acquire asset, which is the fair value of consideration received or receivable for the construction services delivered.

Intangible assets model

Intangible assets arising out of service concession arrangements are accounted for as intangible assets where the Company has a contractual right to charge users of service when the projects are completed. Apart from above per the service concession agreement the Company is obligated to pay the amount of premium to National Highways Authority of India (NHAI). This premium obligation if any is treated as Intangible asset as it is paid towards getting the right to earn revenue by constructing and operating the roads during the concession period.

Hence, the total premium payable to the Grantor as per the Service Concession Agreement is also recognized as an 'Intangible Assets' and the corresponding obligation for committed premium is recognized as premium obligation.

The intangible assets is measured at the fair value of consideration transferred to acquire asset, which is the fair value of consideration received or receivable for the construction services delivered.

Amortization of concession intangible assets

The Intangible asset recognized are amortised over the concession period on time proportion basis on Straight Line method over the period of the concession. Refer note 25 for description and significant terms of the concession agreements.

3.6 Taxes

Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum Alternate Tax ('MAT') under the provisions of Income-tax Act, 1961 is recognised as current tax in the statement of profit and loss. MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is a convincing evidence that the Company will pay normal tax. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities and assets are recognized for all taxable temporary differences

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are

PS Toll Road Private Limited
Notes to Financial Statements as of and for the year ended March 31, 2021

recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.8 Leases

Operating lease payments are recognized as an operating expense in the income statement on a straight line basis over the lease term.

3.9 Contingent liabilities and contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The contingent liability is not recognised in the books of accounts but its existence is disclosed in the Financial Statements. A Contingent asset is not recognized in financial statements, however, the same are disclosed where an inflow of economic benefit is probable.

3.10 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized 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 grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.11 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

3.12 Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Leave obligations

The Company provides sick leave and privilege leave to its employees.

Privilege and sick leave obligation is provided based on actuarial valuation which takes into account the estimated portion of leave that will be en-cashed, availed and the portion that will lapse. The portion that is expected to be en-cashed is provided for based on the basic salary of the employee and for the portion that is expected to be availed, the valuations are based on the employees' total compensation. The liability for earned leave is also classified as current where it is expected to be availed/ en-cashed during the next 12 months. The remaining portion is classified as non-current. The amounts of current and non-current liability are based on actuarial estimates.

(iii) Post - employment obligations

The Company operates various post-employment schemes, including

- (a) defined benefit plans such as gratuity
- (b) defined contribution plans such as provident fund.

Gratuity Obligations

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined Contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

3.13 Cash and cash equivalents

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

PS Toll Road Private Limited
Notes to Financial Statements as of and for the year ended March 31, 2021

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

3.14 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, net of directly attributable transaction cost 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.

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

- at amortised cost
- at fair value through profit or loss (FVTPL)
- at fair value through other comprehensive income (FVTOCI)

Financial Assets at amortised cost

Financial assets are measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial measurement such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to loans and other receivables.

Financial Assets at Fair Value through Statement of Profit and Loss/Other Comprehensive Income

All investments in scope of Ind AS 109 are measured at fair value. The Company has investment in mutual funds which are held for trading, are classified as at FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income. There is no recycling of the amounts from Other Comprehensive Income (OCI) to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of the Company's similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through'

PS Toll Road Private Limited
Notes to Financial Statements as of and for the year ended March 31, 2021

arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company has three types of financial assets subject to Ind AS 109's expected credit loss model:

- Loans receivables measured at amortised cost
- Retentions receivable, grant receivable from NHAI
- Loans given to employees

The impairment methodology for each class of financial assets stated above is as follows:

Loans receivables measured at amortised cost: Loans receivables at amortised cost are generally short term in nature considered to be low risk, and thus the impairment provision is determined as 12 months expected credit losses.

Loans given to employees: For loans given to employees outstanding as on the reporting dates, the has determined reliably that assessing the probability of default at the initial recognition of each and every loan or receivable would result in undue cost and effort. As permitted by Ind AS 109, the credit provision will be determined based on whether credit risk is low only at each reporting date, until the loan is derecognized. Using the impairment methodology the Company has assessed that no loan loss allowance needs to be recorded in the books of accounts.

Expected credit loss ('ECL') impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortized cost and other contractual revenue receivables - ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, trade payables or other payables.

All financial liabilities are recognized initially at fair value.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and other payables.

Subsequent measurement

Financial liabilities at amortized cost: After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance costs in the Statement of Profit and Loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. However, the Company has borrowings at floating rates. The impact of restatement of effective interest rate, year on year due to reset of interest rate, is not material. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the transaction cost amortization process.

Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

Retention money payable

This is the category most relevant to the Company. Retention moneys are measured at Fair value initially. Subsequently, they are measured at amortised cost using the EIR (Effective interest rate) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.15 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Chief operating decision maker's function is to allocate the resources of the entity and access the performance of the operating segment of the entity.

The Board assesses the financial performance and position of the Company and makes strategic decisions. It is identified as being the chief operating decision maker for the company.

3.16 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

The Company has determined that Appendix D of Ind AS 115 'Service concession arrangements' is

PS Toll Road Private Limited
Notes to Financial Statements as of and for the year ended March 31, 2021

applicable to the Company which provides on accounting by the operators for public-to-private service concession arrangements. The Company has entered into concession arrangement with NHAI as per which the Company would participate in the Design, Build, Finance, Operate and Transfer (DBFOT) basis the toll roads infrastructure. After the end of the concession arrangement, the Company has to transfer the infrastructure i.e. toll roads constructed to National Highway Authorities of India (NHAI).

Accordingly the Company has recognized the intangible assets recognized as per the accounting policy mentioned in Note no 3.5 'Accounting of intangible assets under service concessionaire arrangement'.

(ii) Income taxes

The Company has recognized deferred tax assets relating to carried forward tax losses to the extent there are sufficient taxable temporary differences relating to the same taxation authority against which the unused tax losses can be utilized. However, the utilization of tax losses also depends on the ability of the Company to satisfy certain tests at the time the losses are recouped. Management has forecasted future taxable profits and has therefore recognized deferred tax assets in relation to tax losses.

(iii) Amortization of concession intangible assets

The Intangible asset recognized are amortised over the concession period on time proportion basis on Straight Line method over the period of the concession.

3.17 Recent accounting pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

PS Toll Road Private Limited
Notes to Financial Statements as of and for the period ended March 31, 2021

Note 4 - Concession Intangible assets (including intangible assets under development)

Rs. Millions

| Particulars | Toll Collection rights | NHAI Premium | Intangible assets under development |
|--|------------------------|------------------|-------------------------------------|
| Year ended March 2020 | | | |
| Opening gross carrying amount | 19,727.41 | 11,012.98 | 9,336.83 |
| Additions | - | - | 1,016.67 |
| Disposals | - | - | - |
| Closing gross carrying amount | 19,727.41 | 11,012.98 | 10,353.50 |
| Accumulated amortisation and impairment | | | |
| Opening accumulated amortisation and impairment | 2,815.65 | 2,717.65 | - |
| amortisation charge for the year | 1,090.98 | 540.48 | - |
| Disposals | - | - | - |
| Closing accumulated amortisation and impairment | 3,906.63 | 3,258.13 | - |
| Net carrying amount | 15,820.78 | 7,754.85 | 10,353.50 |
| Year ended March 2021 | | | |
| Opening gross carrying amount | 19,727.41 | 11,012.98 | 10,353.50 |
| Additions | - | - | 1,136.08 |
| Disposals | - | - | - |
| Closing gross carrying amount | 19,727.41 | 11,012.98 | 11,489.58 |
| Accumulated amortisation and impairment | | | |
| Opening accumulated amortisation and impairment | 3,906.63 | 3,258.13 | - |
| amortisation charge for the year | 1,091.54 | 540.48 | - |
| Disposals | - | - | - |
| Closing accumulated amortisation and impairment | 4,998.17 | 3,798.61 | - |
| Net carrying amount | 14,729.24 | 7,214.37 | 11,489.58 |

Note:

(1) The above Intangible Asset are pledged as security with lenders.

(2) Flat at Vasai west, Thane district of Rs. 2.10 million is included in gross block of Intangible Assets.

PS Toll Road Private Limited

Notes to Financial Statements as of and for the period ended March 31, 2021

Rs. Millions

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------|-------------------------|
| Note 5 - Financial Assets - Current | | |
| Note 5 (a) - Cash and Cash equivalents | | |
| Cash and cash equivalents | | |
| Balances with banks | | |
| - in current accounts | 363.89 | 129.80 |
| Cash on hand | 0.40 | - |
| | 364.29 | 129.80 |
| Note 5 (b) - Other bank balances other than Cash and Cash equivalents* | | |
| Deposits with original maturity of more than three months but less than twelve months | - | 43.10 |
| | - | 43.10 |
| * Cash balance not available for use: | | |
| Company is required to maintain restricted cash which can only be used as a reserve for servicing the debt under financing arrangements. These restricted cash balances have not been included in the year end cash balances for the purposes of preparation of Cash Flow Statement. | | |
| Cash held on restricted fixed deposits | | |
| Fixed Deposits | - | 43.10 |
| | - | 43.10 |
| Note 5 (c) - Loans | | |
| Unsecured, considered good | | |
| Security deposits | 0.56 | 0.03 |
| | 0.56 | 0.03 |
| Note 5 (d) - Other financial assets - current | | |
| Interest accrued on fixed deposits | - | 1.02 |
| Retention money receivable from NHAI | 76.07 | 76.07 |
| Others | 20.24 | 23.36 |
| Claims receivable from NHAI | 137.62 | 137.62 |
| | 233.93 | 238.07 |
| Note 6 - Other non-current assets | | |
| Capital Advance | 368.52 | 351.04 |
| | 368.52 | 351.04 |
| Note 7 - Other Current assets | | |
| Advance to vendors | 37.04 | 126.04 |
| Advance to employees | 3.05 | 2.31 |
| Prepaid Expenses | 35.17 | 9.50 |
| Duties and taxes receivable | 5.48 | 8.85 |
| Gratuity Advance | 2.19 | 2.98 |
| | 82.93 | 149.68 |

PS Toll Road Private Limited
Notes to Financial Statements as of and for the period ended March 31, 2021

| | | Rs. Millions | |
|--|---------------|-------------------------|-------------------------|
| Particulars | Nos of Shares | As at March 31, 2021 | As at March 31, 2020 |
| Note 8 - Share Capital and Other equity | | | |
| Note 8a - Authorised Share Capital | | | |
| At the beginning of the year | 1,00,000 | 1.00 | 1.00 |
| Add : Increase during the year | of 10 each | - | - |
| At the end of the year | | <u>1.00</u> | <u>1.00</u> |
| Note 8b - Issued, subscribed and paid-up equity share capital | | | |
| At the beginning of the year | 10,724 | 0.11 | 0.11 |
| Add : Increase during the year | of 10 each | - | - |
| At the end of the year | | <u>0.11</u> | <u>0.11</u> |
| Note 8c - Terms and rights attached to equity shares | | | |
| The Company has only one class of shares referred to as Equity Shares having a Par Value of Rs.10/-. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. | | | |
| Note 8d - Reconciliation of nos of Shares | | | |
| Nos of Shares at the beginning of the year | | 10,724 | 10,724 |
| Add : Nos of Shares issued during the year | | - | - |
| Nos of Shares at the end of the year | | <u>10,724</u> | <u>10,724</u> |
| Note 8e - Shares held by the holding company Company or their subsidiaries/associates | | | |
| Reliance Infrastructure Limited (Holding Company) & its nominees | | 7,936 | 7,936 |
| Jiangsu Provincial Transportation Engineering Group Co,Ltd | | 2,788 | 2,788 |
| Note 8f - Details of Shareholders holding more than 5% shares in the company | | | |
| Reliance Infrastructure Limited (Holding Company) & its nominees | | 7,936 | 7,936 |
| Nos of Shares | | 7,936 | 7,936 |
| % of holding | | 74% | 74% |
| Jiangsu Provincial Transportation Engineering Group Co,Ltd | | 2,788 | 2,788 |
| Nos of Shares | | 2,788 | 2,788 |
| % of holding | | 26% | 26% |

The holding company has pledged 7,935 (P.Y. 7,935) Equity Shares for availing various term loans.

PS Toll Road Private Limited

Notes to Financial Statements as of and for the period ended March 31, 2021

| Particulars | Rs. Millions | |
|---|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| Note 9a - Sub-ordinated debt (in nature of equity) | | |
| At the beginning of the year | 10,785.11 | 10,785.11 |
| Increase / (decrease) during the year | - | - |
| At the end of the year | 10,785.11 | 10,785.11 |
| Terms and rights attached to Sub-ordinated debts infused by holding company. | | |
| i) Subordinated debt is the part of Equity from the promoters of the company for the project, which is unsecured and interest free as per Common Loan Agreement with the lenders; | | |
| ii) No repayment/redemption/interest servicing allowed during the moratorium period of the long term project loan. | | |
| Note 9b- Other Equity - Reserves & Surplus | | |
| Corporate Guarantee (in nature of equity) | 105.10 | 105.10 |
| Retained Earnings | 71.65 | 1,838.69 |
| | 176.75 | 1,943.79 |
| Other Equity | | |
| Note 9(b)(i) - Corporate Guarantee (in nature of equity) | | |
| At the beginning of the year | 105.10 | 105.10 |
| Increase / (decrease) during the year | - | - |
| At the end of the year | 105.10 | 105.10 |
| Note 9(b)(ii) - Retained Earnings | | |
| At the beginning of the year | 1,838.69 | 2,578.18 |
| Net Loss for the year | (1,765.08) | (739.36) |
| Items of other comprehensive income recognised directly in retained earnings | | |
| - Remeasurements of post-employment obligations (net of tax) | (1.96) | (0.13) |
| At the end of the year | 71.65 | 1,838.69 |

PS Toll Road Private Limited
Notes to Financial Statements as of and for the period ended March 31, 2021

Note 10 (a) - Borrowings - Non current

Rs. Millions

| Particulars | As at | As at |
|--------------------------------------|-----------------|-----------------|
| | March 31, 2021 | March 31, 2020 |
| Secured | | |
| Term Loan from Banks | 5,555.13 | 5,437.62 |
| Term Loan from Financial Institution | 1,935.49 | 1,882.06 |
| Total | 7,490.62 | 7,319.68 |

1) Secured Term Loan from Banks & Financial Institutions of Rs. 7,786.13 million (Principal undiscounted amount) are secured as under:

(i) Mortgage, by way of first charge on all the company's immovable properties, tangible movable properties including plant and machinery, machinery spares, tools and accessories, vehicles and all other movable assets, both present and future, save and except the project assets.

(ii) A first charge over all the accounts of the company's including the escrow accounts and sub accounts (or any account in substitution thereof) that may be opened in accordance with this agreement, escrow agreement and the supplementary escrow agreement.

(iii) A first charge on all the company's intangible assets but not limited to goodwill, rights, undertaking and uncalled capital present and future except the project assets.

(iv) A first charge/assignment by way of the security in right, title, interests, benefits, claims and demands of the company in project documents, under all Government approvals, any letter of credit, guarantees including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents.

(v) A first charge/assignment by way of the security in right, title, interests, benefits, claims and demands of the company under all Insurance contracts.

(vi) Pledged by the promoters is 51% (5470 no. of shares) of the fully paid up capital of the company to the consortium Lenders.

2) The holding Company has provided Corporate Guarantee for company in form and manner satisfactory to the lenders as per Common Loan Agreement.

3) The applicable interest rate for Rupee term Loan varies from 10.25 % to 12.45% p.a

4) Due to the outbreak of COVID-19, the Reserve Bank of India has granted relief to borrowers by way of moratorium of interest and principal instalments falling due to Indian banks and financial institutions till Aug 2020. The company availed the moratorium and notified all consortium lenders.

5) Maturity Profile of Secured loan from others (Principal undiscounted) is as under:

Rs. Millions

| Particulars | Loan from Banks | Loan from Financial Institutions |
|--------------------|-----------------|----------------------------------|
| | | Rs. Millions |
| FY 2021-22 | 219.81 | 75.70 |
| FY 2022-23 | 232.47 | 80.06 |
| FY 2023-24 | 369.67 | 125.06 |
| FY 2024-25 | 681.50 | 227.56 |
| FY 2025-26 onwards | 4,348.17 | 1,499.22 |
| Total | 5,851.62 | 2,007.58 |

5a) The company has delayed in the repayment of principal & Interest to the Banks & financial institution which were paid on or before balance sheet date. The lender wise details is as below :

Rs. Millions

| Name of Lender | Borrowings | | Interest | |
|----------------|------------|-----------------------|----------|-----------------------|
| | Amount | Period (Maximum days) | Amount | Period (Maximum days) |
| IIFCL | 17.53 | 89 | 79.24 | 89 |
| AXIS BANK | 23.59 | 89 | 93.49 | 89 |
| IDFC BANK | 21.34 | 89 | 98.86 | 89 |
| SBI | 6.50 | 89 | 27.63 | 89 |

5b) The company has delayed in the repayment of principal & Interest to the Banks & financial institution which were not paid on or before balance sheet date. The lender wise details is as below :

PS Toll Road Private Limited
Notes to Financial Statements as of and for the period ended March 31, 2021

Rs. Millions

| Name of Lender | Borrowings | | Interest | |
|----------------|------------|-----------------------|----------|-----------------------|
| | Amount | Period (Maximum days) | Amount | Period (Maximum days) |
| IIFCL | 13.14 | 1 | 59.07 | 60 |
| AXIS BANK | 17.80 | 1 | 76.86 | 60 |
| IDFC BANK | 15.91 | 1 | 75.45 | 60 |
| SBI | 4.85 | 1 | 24.46 | 60 |

Note 10 (b) - Borrowings - Current

Unsecured

(unsecured, repayable on demand and interest free)

| | | |
|---|---------------|---------------|
| Loan from related parties (refer note 26) | 319.00 | 319.00 |
| | 319.00 | 319.00 |

Rs. Millions

Particulars

Note 11 - Trade Payables

Total outstanding dues of creditors other than micro enterprises & small enterprises

| | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------|-------------------------|
| | 203.58 | 381.35 |
| | 203.58 | 381.35 |

(a) Dues to Micro and Small Enterprises

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

Note 12 (a) - Other financial liabilities - current

| | | |
|--------------------------------------|-----------------|-----------------|
| Current Maturities of long term debt | 295.51 | 131.16 |
| NHAI Premium Payable | 2,642.00 | 2,348.81 |
| Security Deposits | - | 0.90 |
| Interest Accrued but not due | - | 72.74 |
| Interest Accrued and due | 235.84 | - |
| Creditors for Capital expenditure | 455.77 | - |
| Employee benefits payable | 18.25 | 9.32 |
| Retention money payable | 185.03 | 181.89 |
| Others | - | 1.71 |
| Total | 3,832.40 | 2,746.53 |

Note 12 (b) - Other financial liabilities - Non - current

Non - Current

| | | |
|----------------------|------------------|------------------|
| NHAI Premium Payable | 11,726.35 | 11,369.97 |
| Total | 11,726.35 | 11,369.97 |

Note 13 (a) - Provisions - Current

Current

| | | |
|---------------------------------|-------------|-------------|
| Provision for employee benefits | | |
| - Leave encashment | 0.13 | 0.22 |
| | 0.13 | 0.22 |

Note 13 (b) - Provisions - Non - Current

| | | |
|---------------------------------|-------------|-------------|
| Provision for employee benefits | | |
| - Leave encashment | 0.41 | 0.73 |
| | 0.41 | 0.73 |

Note 14 - Other current liabilities

| | | |
|--------------------------|-------------|-------------|
| Duties and taxes payable | 1.31 | 4.77 |
| | 1.31 | 4.77 |

PS Toll Road Private Limited
Notes to Financial Statements as of and for the period ended March 31, 2021

Rs. Millions

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|--|------------------------------|------------------------------|
| Note 15 - Revenue | | |
| Operating income | | |
| - Construction income | 611.60 | 506.41 |
| - Income from toll collections | 2,308.73 | 2,833.48 |
| | <u>2,920.33</u> | <u>3,339.89</u> |
| Note 16 - Other income | | |
| Interest income | | |
| - On fixed deposits | 2.48 | 2.80 |
| - Others | 0.77 | - |
| Excess provision for Leave Encashment written back | - | 3.63 |
| Insurance claim received | 5.03 | - |
| Miscellaneous income | 1.56 | - |
| | <u>9.84</u> | <u>6.43</u> |
| Note 17 - Toll Operation and Maintenance expenses | | |
| Subcontracting expenses | 117.42 | 167.86 |
| Maintenance of Roads | 177.05 | 104.26 |
| Electricity expenses | 37.24 | 24.90 |
| Handling Charges | 0.75 | 3.01 |
| Site and other direct expenses | 7.08 | 11.71 |
| | <u>339.54</u> | <u>311.74</u> |
| Note 18 - Employee benefits expenses | | |
| Salaries wages and bonus | 37.94 | 42.07 |
| Contribution to provident funds and other funds | 1.92 | 2.52 |
| Gratuity | 0.57 | 0.73 |
| Leave encashment | 0.80 | - |
| Staff welfare expenses | 1.08 | 1.31 |
| | <u>42.31</u> | <u>46.63</u> |
| Note 19 - Finance Costs | | |
| Interest on loan | 711.36 | 675.81 |
| Interest unwinding on premium deferment | 1,214.08 | 1,202.95 |
| Other finance charges | 84.76 | 74.60 |
| | <u>2,010.20</u> | <u>1,953.36</u> |
| Note 20 - Other expenses | | |
| Rent | 1.43 | 2.36 |
| Insurance | 56.43 | 22.90 |
| Legal and Professional Charges | 36.94 | 45.01 |
| Auditors Remuneration | - | - |
| - Audit Fees | 0.24 | 0.24 |
| Travelling and Conveyance | 0.22 | 1.51 |
| Other miscellaneous expenses | 4.22 | 4.19 |
| | <u>99.48</u> | <u>76.21</u> |

PS Toll Road Private Limited
Notes to Financial Statements as of and for the period ended March 31, 2021

Note 21 - Fair value measurements
Financial Instruments by category
Significance of financial instruments

Rs. Millions

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------|-------------------------|
| Financial assets | | |
| At amortised Cost | | |
| Loans | 0.56 | 0.03 |
| Interest accrued on fixed deposits | - | 1.02 |
| Others | 20.24 | 23.36 |
| Retention Money receivable from NHAI | 76.07 | 76.07 |
| Cash and Cash equivalent | 364.29 | 129.80 |
| Bank balances other than cash & cash equivalents | - | 43.10 |
| Claims receivable from NHAI | 137.62 | 137.62 |
| Total financial assets | 598.79 | 411.00 |
| Financial liabilities | | |
| At amortised Cost | | |
| Borrowings | 8,105.13 | 7,769.84 |
| Trade Payables | 203.58 | 381.35 |
| Retention money payable | 185.03 | 181.89 |
| NHAI Premium Payable | 14,368.35 | 13,718.78 |
| Security Deposits | - | 0.90 |
| Interest Accrued but not due | - | 72.74 |
| Interest Accrued and due | 235.84 | - |
| Employee Benefits Payable | 18.25 | 9.32 |
| Creditors for capital expenditure | 455.77 | - |
| Total financial liabilities | 23,571.94 | 22,134.82 |

PS Toll Road Private Limited
Notes to Financial Statements as of and for the period ended March 31, 2021

| (b) Fair value of financial assets and liabilities measured at amortised cost | | Rs. Millions |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2021 | As at March 31, 2020 |
| Financial liabilities | | |
| Carrying value of financial liabilities at amortised cost | | |
| Floating rate borrowings | 7,786.13 | 7,450.84 |
| Retention money | 185.03 | 181.89 |
| NHAI Premium Payable | 14,368.35 | 13,718.78 |
| | <u>22,339.51</u> | <u>21,351.51</u> |
| Fair value of financial liabilities carried at amortised cost | | |
| Floating rate borrowings | 7,786.13 | 7,450.84 |
| Retention money | 185.03 | 181.89 |
| NHAI Premium Payable | 14,368.35 | 13,718.78 |
| | <u>22,339.51</u> | <u>21,351.51</u> |

The carrying value amounts of fixed deposits, interest accrued on deposits, retention money receivable, insurance claim receivable, cash and cash equivalents, trade payables, interest accrued, employee benefits payable and creditors for capital expenditure approximate their fair value due to their short term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

PS Toll Road Private Limited
Notes to Financial Statements as of and for the period ended March 31, 2021

Note 22 - Fair value Hierarchy

Rs. Millions

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------|-------------------------|
| Financial assets | | |
| (a) Fair value hierarchy - Assets and liabilities which are measured at amortised cost for which fair values are disclosed | | |
| Financial liabilities | | |
| Level 3 | | |
| Floating Rate Borrowings | 7,786.13 | 7,450.84 |
| Retention money payable | 185.03 | 181.89 |
| NHAI Premium Payable | 14,368.35 | 13,718.78 |
| Total financial liabilities | 22,339.51 | 21,351.51 |

Recognised fair value measurements

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for borrowings, debentures, Retention money payable and hedging derivative included in level 3

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

PS Toll Road Private Limited**Notes to Financial Statements as of and for the year ended March 31, 2021****Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt from banks at an optimized cost. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 30 to 60 days. The carrying amounts are assumed to be a reasonable approximation of fair value.

The following table analyses financial liabilities by remaining contractual maturities.

The table below analyses the company's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

Rs. Millions

| As at March 31, 2021 | Less than 1 year | More than 1 year | Total |
|------------------------------|-----------------------------|-------------------------|------------------|
| Non-derivatives | | | |
| Borrowings | 295.51 | 7,563.69 | 7,859.20 |
| Interest on Borrowings | 1,083.22 | 3,910.33 | 4,993.55 |
| Trade and other payables | 203.58 | - | 203.58 |
| Other financial liabilities | 3,301.05 | 11,726.35 | 15,027.40 |
| Total non-derivatives | 4,883.36 | 23,200.37 | 28,083.73 |
| <hr/> | | | |
| As at March 31, 2020 | Less than 1 year | More than 1 year | Total |
| Non-derivatives | | | |
| Borrowings | 131.16 | 7,402.30 | 7,533.46 |
| Interest on Borrowings | 706.90 | 4,486.80 | 5,193.70 |
| Trade and other payables | 381.35 | - | 381.35 |
| Other financial liabilities | 21,497.94 | 11,369.97 | 32,867.91 |
| Total non-derivatives | 22,717.34 | 23,259.08 | 45,976.42 |

PS Toll Road Private Limited
Notes to Financial Statements as of and for the period ended March 31, 2021

Note 23 – Financial risk management

The company 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, trade receivables, financial assets measured at amortised cost. | Aging analysis Credit ratings | Diversification of bank deposits, credit limits and letters of credit |
| Market risk — interest rate | Long-term borrowings at variable Rates | Sensitivity analysis | Actively Managed |
| Liquidity risk | 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 central treasury team 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.

Commodity risk:

The company requires for implementation (construction, operation and maintenance) of the projects, such as cement, bitumen, steel and other construction materials. For which, the company entered into fixed price contract with the EPC contractor and O&M Contractor so as to manage our exposure to price increases in raw materials. Hence, the sensitivity analysis is not required.

Market risk — interest rate risk

The Bank loans follows floating rates with resets defined under agreements. While interest rate fluctuations carry a risk on financials, the company earn toll income which is linked to WPI thus providing a natural hedge to the interest rate risk.

a) Interest rate risk exposure

| Particulars | Rs. Millions | |
|--------------------------|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| Variable Rate Borrowings | 7,786.13 | 7,450.84 |
| Fixed Rate Borrowings | - | - |
| Total | 7,786.13 | 7,450.84 |

b) Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

| Impact on profit/loss after tax | Rs. Millions | |
|---|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| Interest rates (increase) by 1 basis points | (65.71) | (63.31) |
| Interest rates decrease by 1 basis points | 65.71 | 63.31 |

PS Toll Road Private Limited

Notes to Financial Statements as of and for the period ended March 31, 2021

Note 24 - Capital risk management

The company objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the company capital management, capital includes issued equity capital, share premium, sub-debts and all other equity reserves attributable to the equity holders of the parent. The primary objective of the company capital management is to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue interest free sub-ordinate debt. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company policy is to keep optimum gearing ratio. The company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

In order to achieve this overall objective, the company capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital for year ended March 31, 2020 and March 31, 2019.

Consistent with others in the industry, the group monitors capital on the basis of the following gearing ratio:

Net debt including total borrowings (net of cash and cash equivalents)

divided by

Total 'equity' (as shown in the balance sheet).

| Particulars | Rs. Millions | |
|------------------------------------|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| Net debt (a) | 7,740.84 | 7,640.04 |
| Equity (b) | 10,961.97 | 12,729.00 |
| Net debt to equity ratio (a) / (b) | 0.71 | 0.60 |

| Particulars | Rs. Millions | |
|--------------------------------|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| Net debt (a) | 7,740.84 | 7,640.04 |
| Equity (b) | 10,961.97 | 12,729.00 |
| Net debt plus Equity (c = a+b) | 18,702.81 | 20,369.04 |
| Gearing ratio (a) / c | 0.41 | 0.38 |

PS Toll Road Private Limited
Notes to Financial Statements as of and for the period ended March 31, 2021

Note 25- Concession arrangements - Main features

Rs. Millions

| Name of entity | Description of the arrangement | Significant terms of the arrangement | Intangible Assets | | Financial Asset |
|------------------------------|--|---|-------------------|----------------|-----------------|
| | | | Gross book value | Net book value | |
| PS Toll Road Private Limited | Financing, design, building and operation of 137 kilometre long six lane toll road between Pune and Satara on National Highway 4 | Period of concession: 2010 - 2034 Remuneration : Toll Investment grant from concession grantor : Nil Infrastructure return at the end of concession period : Yes Investment and renewal obligations : Nil Re-pricing dates : Yearly Basis upon which re-pricing or re-negotiation is determined : Inflation Premium payable to grantor : Yes | March 31, 2021 | March 31, 2021 | March 31, 2021 |
| | | | 42,229.97 | 33,433.19 | - |
| | | | March 31, 2020 | March 31, 2020 | March 31, 2020 |
| | | | 41,093.89 | 33,929.13 | - |

PS Toll Road Private Limited
Notes to Financial Statements as of and for the period ended March 31, 2021

Note 26 -Related Party Schedule

As per Ind AS-24 " Related Party Disclosure" the Company's related parties and transactions with them in the ordinary course of business are disclosed below :

(A) Holding Company

Reliance Infrastructure Limited

(B) Investing Party

Jiangsu Provincial Transportation Engineering Group Co.Ltd

Key Management Personnel

Kaushik Pal - Director (Upto June 20, 2019)
 Debasis Mohanty - Director (Upto December 31, 2019)
 Madan Biyani - Director (Upto March 05, 2020)
 Madan Pendse - Director (w.e.f December 31, 2019)
 Rajesh Das - Director (w.e.f March 05, 2020)
 Trina Subimal Das - Director (w.e.f September 25, 2018)

Details of transactions and closing balance :

Rs. Millions

| Particulars | March 31, 2021 | March 31, 2020 |
|---|------------------|----------------|
| Transactions during the year :- | | |
| Toll operation and maintenance expenses (including project execution support services) | | |
| Reliance Infrastructure Limited | - | - |
| Reimbursement of expenditure paid by | | |
| Reliance Infrastructure Limited | - | 1.16 |
| Sub-debts received (in nature of equity) | | |
| Reliance Infrastructure Limited | - | - |
| Inter-corporate deposit received during the year | | |
| Reliance Infrastructure Limited | - | - |
| Balances at the year end :- | | |
| Inter-corporate deposit | | |
| Reliance Infrastructure Limited | 319.00 | 319.00 |
| Trade payable | | |
| Reliance Infrastructure Limited | 87.61 | 87.61 |
| Sub-debts (in nature of equity) | | |
| Reliance Infrastructure Limited | 10,785.11 | 10,785.11 |
| Equity share capital (excluding premium) | | |
| Reliance Infrastructure Limited | 0.08 | 0.08 |
| Jiangsu Provincial Transportation Engineering Group Co.Ltd | 0.03 | 0.03 |
| Gurantees issued on behalf of the company | | |
| R Infra | 7,867.10 | 7,867.10 |
| Others (specify) | | |

(C) Key Management Personnel (KMP) and details of transactions with KMP :

During the year no payment was made to Key Management Personnel (KMP).

Note 27 -Gratuity and other post-employment benefit plans

a) Defined contribution plan

The following amount recognized as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

| Particulars | Rs. Millions | |
|--|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| Contribution to provident fund and other funds | 1.92 | 2.52 |
| Total | 1.92 | 2.52 |

a) Defined benefit plan

The company Group has a defined benefit plan (Gratuity) for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of Rs. 1,000,000/-. The said gratuity plan is funded.

The following tables summaries the The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

| Change in the Present Value of Projected Benefit Obligation | Rs. Millions | |
|--|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| Present Value of Benefit Obligation at the Beginning of the Period | 7.34 | 7.23 |
| Interest cost | (0.17) | (0.24) |
| Current service cost | 0.74 | 0.97 |
| (Benefit Paid Directly by the Employer) | (2.42) | (1.04) |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions | - | 0.33 |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions | 0.71 | (0.08) |
| Actuarial (Gains)/Losses on Obligations - Due to Experience | 2.29 | 0.18 |
| Present Value of Benefit Obligation at the End of the Period | 8.48 | 7.34 |

| Change in the Fair Value of Plan Assets | Rs. Millions | |
|---|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| Fair Value of Plan Assets at the Beginning of the Period | 11.10 | 10.39 |
| Interest Income | 0.64 | 0.78 |
| Return on Plan Assets, Excluding Interest Income | 0.35 | (0.07) |
| Fair Value of Plan Assets at the End of the Period | 12.09 | 11.10 |

| Amount Recognized in the Balance Sheet | Rs. Millions | |
|--|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| (Present Value of Benefit Obligation at the end of the Period) | (9.90) | (8.12) |
| Fair Value of Plan Assets at the end of the Period | 12.09 | 11.10 |
| Funded Status (Surplus/ (Deficit)) | 2.19 | 2.98 |
| Net (Liability)/Asset Recognized in the Balance Sheet | 2.19 | 2.98 |
| Provisions | | |
| Current | 2.19 | 2.98 |
| Non-current | - | - |

| Particulars | Rs. Millions | |
|--|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| Expenses Recognised in the Statement of Profit and Loss | | |
| Current service cost | 0.74 | 0.97 |
| Net Interest Cost | (0.17) | (0.24) |
| Expenses Recognised | 0.57 | 0.73 |

| Income/(Expenses) Recognised in Other Comprehensive Income (OCI) | Rs. Millions | |
|--|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| Actuarial (Gains)/Losses on Obligation For the Period | 2.99 | 0.43 |
| Return on Plan Assets, Excluding Interest Income | (0.35) | 0.07 |
| Change in Asset Ceiling | - | (0.32) |
| Amount recognized in OCI | 2.65 | 0.17 |

| Major Categories of plan asses as a percentage of total Insurer Managed Funds | Percentage | |
|---|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| | 100% | 100% |

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

| Maturity Analysis of Project Benefit Obligation | Rs. Millions | |
|--|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| Within the next 12 months (next annual reporting period) | 1.98 | 1.63 |
| Between 2 and 5 years | 5.34 | 4.64 |
| Between 6 and 10 years | 3.30 | 2.68 |
| Beyond 10 years | 1.73 | 1.06 |
| Total expected payments | 12.35 | 10.01 |

PS Toll Road Pvt Ltd
Notes to Financial Statements as of and for the period ended March 31, 2021

The average duration of the defined benefit plan obligation at the end of the reporting period

4 years

4 years

| Particulars | As at | As at |
|----------------------------------|---|---|
| | March 31, 2021 | March 31, 2020 |
| Starting Period | 01-Apr-20 | 01-Apr-19 |
| Date of Reporting | 31-Mar-21 | 31-Mar-20 |
| Period of Reporting | 12 Months | 12 Months |
| Assumptions | | |
| Expected Return on Plan Assets | 5.76% | 7.50% |
| Rate of Discounting | 5.76% | 7.50% |
| Rate of Salary Increase | 3.00% | 5.00% |
| Rate of Employee Turnover | 20.00% p.a. for all service groups. | 10.80% |
| Mortality Rate During Employment | Indian Assured Lives Mortality (2006-08) Ultimate | Indian Assured Lives Mortality (2006-08) Ultimate |
| Mortality Rate After Employment | N.A. | N.A. |

A quantitative analysis for significant assumption is as shown below:

| Particulars | As at | As at |
|---|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| Assumptions -Discount rate | | |
| Sensitivity Level | 100 bp | 100 bp |
| Impact on defined benefit obligation -in % increase | -3.91% | -3.42% |
| Impact on defined benefit obligation -in % decrease | 4.23% | 3.67% |
| Assumptions -Future salary increases | | |
| Sensitivity Level | 100 bp | 100 bp |
| Impact on defined benefit obligation -in % increase | 4.22% | 3.74% |
| Impact on defined benefit obligation -in % decrease | -3.97% | -3.54% |

Plan Assets Composition

| Particulars | As at | As at |
|------------------------|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| Non Quoted | | |
| *Insurer Managed Funds | 12.09 | 11.10 |
| | 12.09 | 11.10 |

* As per Actuarial Valuation Report

A reconciliation of the asset ceiling during the inter-valuation period is given below:

| | | |
|--------------------------------|---|------|
| Opening value of asset ceiling | - | 0.32 |
| Remeasurement due to : | | |
| Changes in surplus/deficient | - | 0.32 |
| closing value of asset ceiling | - | - |

PS Toll Road Private Limited

Notes to Financial Statements as of and for the period ended March 31, 2021

Note 28: Income and deferred taxes

Rs. Millions

28(a) Income tax expense

| | March 31, 2021 | March 31, 2020 |
|---|----------------|-----------------|
| <i>Deferred tax</i> | | |
| Decrease/(increase) in deferred tax assets | 65.84 | 1,064.89 |
| (Decrease)/increase in deferred tax liabilities | (94.44) | (1,495.13) |
| Total deferred tax expense/(benefit) | (28.60) | (430.24) |
| Income tax expense | (28.60) | (430.24) |
| Income tax expense is attributable to: | | |
| Profit/(Loss) from continuing operations | (28.60) | (430.24) |

28(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

| | March 31, 2021 | March 31, 2020 |
|---|-----------------|-----------------|
| Profit from operations before income tax expense | (1,792.99) | (1,169.56) |
| Tax at the Indian tax rate of 26% (34.644%) | (466.18) | (304.09) |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: | | |
| Reversal/ (Created) of Deferred Tax | (28.60) | (1,064.89) |
| Expenses Disallowed and others | 466.18 | 938.74 |
| Income tax expense charged to statement of Profit and Loss | (28.60) | (430.24) |

28(c) Tax loss on which tax credit not recognised in Financial Statement:

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------|-------------------------|
| Unused tax on business losses for which no deferred tax assets has been recognised | 1,559.61 | - |

28(d) The balance comprises temporary differences attributable to :

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------|-------------------------|
| Deffered tax liability on account of : | | |
| Intangible assets (including intangible asset under development) | 1,849.54 | 1,800.97 |
| Premium deferement | 1,875.74 | 2,016.26 |
| Impact of effective interest rate on borrowings | 19.00 | 21.48 |
| Total Deffered tax Liabilities | 3,744.28 | 3,838.72 |
| Deffered tax asset on account of : | | |
| Unabsorbed losses | 291.06 | 468.70 |
| NHAI Premium payable | 3,453.07 | 3,341.16 |
| Retirement benefit obligation | 0.15 | 0.25 |
| Total Deffered tax Assets | 3,744.28 | 3,810.12 |
| Deffered Tax liabilities (Net) | (0.00) | 28.60 |

PS Toll Road Private Limited

Notes to Financial Statements as of and for the year ended March 31, 2021

Rs. Millions

Note 29 - EPS and Current Liability:

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|------------------------------|------------------------------|
| Profit / Loss attributable to equity shareholders (Rs Millions) (A) | (1,765.08) | (739.36) |
| Weighted average number of equity shares for basic and diluted earnings per share (B) | 10,724 | 10,724 |
| Earnings / (Loss) per share (Basic and diluted) (Rupees) (A/B) | (1,64,591) | (68,945) |
| Nominal value of equity shares (Rupees) | 10.00 | 10.00 |

Note 30 - COVID 19 has impacted businesses across the globe and India causing significant disturbance and slowdown of economic activities. The Company's operations during the year were impacted due to COVID 19 and it has considered all possible impact of COVID 19 in preparation of the financial result, including assessment of the recoverability of financial and non financial assets based on the various internal and external information and assumptions relating to economic forecasts up to the date of approval of these financial results. The aforesaid assessment is based on projections and estimations which are dependent on future development including government policies. Any changes due to the changes in situations / circumstances will be taken into consideration, if necessary, as and when it crystallizes.

Note 31 - Contingent liabilities

| Particulars | Rs. Millions | |
|--|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| 1. Other claims | | |
| Differences in balances as per bank loan confirmations and books of accounts mainly on account of interest rate resetting are under reconciliation with the bankers. The company expect to settle these soon and do not anticipate any further liability on account of interest. | - | 1.78 |

Note 32- The Company is engaged in "Road Infrastructure Projects" which in the context of Ind AS 108 "Operating Segment" is considered as the only segment. The Company's activities are restricted within India and hence, no separate geographical segment disclosure is considered necessary.

Note 33- Events after reporting period

There are no subsequent event after the reporting year which required adjustments to the Financial Statements.

PS Toll Road Private Limited

Notes to Financial Statements as of and for the year ended March 31, 2021

Note 34 : Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

| | | Rs. Millions | |
|---|------|------------------|------------------|
| | Note | March 31, 2021 | March 31, 2020 |
| Current | | | |
| Financial assets | | | |
| <i>First charge</i> | | | |
| Cash and cash equivalents | 5a | 364.29 | 129.80 |
| Other Financial Assets | 5b | 233.93 | 238.07 |
| Non-financial assets | | | |
| <i>First charge</i> | | | |
| Other Current Assets | 7 | 82.93 | 149.68 |
| Total current assets pledged as security | | 681.15 | 517.55 |
| Non-current | | | |
| <i>First charge</i> | | | |
| Intangible Asset | 4 | 21,943.61 | 23,575.63 |
| Other non current assets | 6 | 368.52 | 351.04 |
| Total non-current assets pledged as security | | 22,312.13 | 23,926.67 |
| Total assets pledged as security | | 22,993.28 | 24,444.22 |

Note 35 : Disclosure pursuant to para 44 A to 44 E of Ind AS 7 -Cash flow Statements

| Particulars | Year Ended March 31,2021 | Year Ended March 31,2020 |
|--|-----------------------------|-----------------------------|
| Long term Borrowings | | |
| Opening Balance | 7,450.84 | 7,259.16 |
| Availed during the year | - | 205.01 |
| Add: Interest During Covid converted to Loan | 439.10 | - |
| Changes in Fair Value | | |
| - Impact of Effective Rate of Interest | 11.49 | 9.62 |
| Less : Repayment During the year | 115.29 | 22.95 |
| Add : Other adjustment | - | - |
| Closing Balance | 7,786.13 | 7,450.84 |

| Particulars | Year Ended March 31,2021 | Year Ended March 31,2020 |
|-------------------------------|-----------------------------|-----------------------------|
| Short term Borrowings | | |
| Opening Balance | 319.00 | 319.00 |
| Add : Availed during the year | - | - |
| Less : Repaid During the year | - | - |
| Closing Balance | 319.00 | 319.00 |

| Particulars | Year Ended March 31,2021 | Year Ended March 31,2020 |
|---|-----------------------------|-----------------------------|
| Interest Expenses | | |
| Opening Balance | 72.74 | 24.93 |
| Interest Charge as per Statement Profit & Loss/ intangible asset under development | 2,208.87 | 2,142.13 |
| Changes in Fair Value | | |
| - Impact of Effective Rate of Interest | (11.49) | (9.62) |
| - Unwinding of Discount on NHAI premium | (1,214.08) | (1,202.95) |
| - Other | - | - |
| Interest Converted to Loan | (439.10) | - |
| Interest paid to Lenders | (381.11) | (881.75) |
| Closing Balance | 235.84 | 72.74 |

PS Toll Road Private Limited

Notes to Financial Statements as of and for the year ended March 31, 2021

Note 36 Previous year figures have been regrouped and re-arranged wherever necessary to make them comparable to those for current year.

As per our attached report of even date

For Chaturvedi & Shah LLP

Chartered Accountants

Firm's Regn. No. 101720W/W100355

For and on behalf of the Board

Sh. Parag D. Mehta

Partner

Membership No. 113904

Date: 12th May 2021

Place: Mumbai

Sh. Rajesh Das

Director

DIN: 08717511

Date: 12th May 2021

Place: Mumbai

Sh. Madan Pendse

Director

DIN: 07650301