NK Toll Road Limited

Financial Statements

For the year ended March 31, 2022

NK Toll Road Limited
Balance Sheet as at March 31, 2022

Rs. Millions

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
(a) Concession Intangible assets	4	1,532.94	1,807.78
(b) Financial Assets			
- Other Financial Assets	5e	0.13	-
(c) Current Tax Assets (Net)		3.87	6.17
(d) Deferred tax assets (net)	30	62.63	113.95
Total Non-Current Assets		**1,599.57**	**1,927.90**
Current assets			
(a) Financial Assets			
(i) Cash and cash equivalents	5a	12.55	200.37
(ii) Bank balances other than (i) Cash and cash equivalents above	5b	-	212.19
(iii) Loans	5c	163.00	100.00
(iv) Other financial asset	5d	8.04	16.61
(b) Other current assets	6	4.02	4.11
Total Current Assets		**187.61**	**533.28**
Total Assets		**1,787.18**	**2,461.18**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	7	44.77	44.77
(b) Subordinated debt (in nature of Equity)	8a	1,982.69	1,982.69
(c) Other equity	8b	(566.28)	(409.56)
Total Equity		**1,461.18**	**1,617.90**
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	9	-	358.09
(b) Provisions	12b	261.36	194.39
Total Non-Current Liabilities		**261.36**	**552.48**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	9b	-	**216.00**
(ii) Trade payables			
(A) Total outstanding due of micro enterprises & small enterprises	10	-	-
(B) Total outstanding dues of creditors other than micro enterprises & small enterprises		56.52	66.11
(iii) Other financial liabilities	11	7.16	8.27
(b) Other current liabilities	13	0.59	0.09
(c) Provisions	12a	0.37	0.34
Total Current Liabilities		**64.64**	**290.81**
Total Equity and Liabilities		**1,787.18**	**2,461.19**

The accompanying notes 1 to 41 are an integral part of the financial statements
As per our attached report of even date

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

For and on behalf on board

Parag D. Mehta
Partner
Membership No. 113904
Date: May 09, 2022
Place: Mumbai

Sandeep Joshi
Director
DIN no: 09586595
Date: May 09, 2022
Place: Mumbai

Mahesh Gaikwad
Director
DIN: 06664942

NK Toll Road Limited
Statement of Profit and Loss for the year ended March 31, 2022

Rs. Millions

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Operations	14	377.15	331.56
Other Income	15	12.68	114.66
Total Income		**389.83**	**446.22**
Expenses			
Toll Operation and Maintainence expenses	16	107.05	104.31
Employee benefits expense	17	13.01	8.06
Finance costs	18	78.53	92.85
Depreciation and amortization expense	4	274.84	263.62
Other expenses	19	19.83	22.24
Total expenses		**493.26**	**491.08**
Profit / (loss) before exceptional items and tax		**(103.43)**	**(44.86)**
Exceptional Items		-	-
Loss before tax		**(103.43)**	**(44.86)**
Tax expense			
Current tax		-	-
Deferred tax charge/(credit)		**51.32**	-
Income tax for earlier years		**1.59**	-
		52.91	-
Profit/(Loss) after tax		**(156.34)**	**(44.86)**
Other Comprehensive Income /(Loss)			
- Items that will not be reclassified to Income/(Loss)			
Remeasurements of net defined benefit plans : Gains / (Loss) benefit plans : Gains / (Loss)		**(0.37)**	**0.84**
Other Comprehensive Income Income/(Loss)		**(0.37)**	**0.84**
Total Comprehensive Income Income/(Loss)		**(156.71)**	**(44.02)**
Earnings/(loss) per equity share (Face value of Rs. 10 per share)			
Basic & Diluted	26	**(34.92)**	**(10.02)**

As per our attached report of even date

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

For and on behalf on board

Parag D. Mehta
Partner
Membership No. 113904
Date: May 09, 2022
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Sandeep Joshi
Director
DIN no: 09586595
Date: May 09, 2022
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Mahesh Gaikwad
Director
DIN: 06664942

NK Toll Road Limited
Cash flow Statement for the year ended March 31, 2022

Rs. Millions

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A CASH FLOW FROM OPERATING ACTIVITIES:		
Loss before tax	**(103.43)**	**(44.86)**
Adjustments for:		
Depreciation and amortisation expenses	274.84	263.62
Interest income	(12.60)	(13.19)
Finance Cost	78.53	92.85
Provision for Gratuity and Leave encashment	0.35	0.38
Provision for Resurfacing expenses	43.25	38.61
Miscellaneous income	(0.08)	(0.10)
	280.87	**337.31**
Cash Generated from Operations before working capital changes		
Adjustments for:		
(Increase)/decrease in financial assets	2.74	3.69
(Increase)/decrease in other current assets	0.09	(2.92)
Increase/(decrease) in trade payables	(9.59)	19.43
Increase/(decrease) in other financial liabilities	-	(0.18)
Increase/(decrease) in provisions	(3.25)	(2.84)
Increase/(decrease) in other current liabilities	0.49	(0.76)
	(9.52)	**16.42**
Cash generated from operations	**271.35**	**353.73**
Taxes (paid) net of refunds	6.17	3.18
Net cash generated from operating activities - [A]	**277.52**	**356.91**
B CASH FLOW FROM INVESTING ACTIVITIES:		
(Purchase)/sale proceeds of intangible assets	0.13	0.27
(Investment)/Redemption in Fixed deposits with Banks	212.19	(15.01)
Inter corporate deposits given	(63.00)	-
Interest received	18.00	13.86
Net cash (used in) / generated from investing activities - [B]	**167.32**	(0.88)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from long term borrowings	-	-
Repayment of long term borrowings	(574.40)	(156.00)
Interest paid	(58.26)	(76.63)
Net cash used in financing activities - [C]	**(632.66)**	(232.63)
Net increase/(decrease) in cash and cash equivalents - [A+B+C]	(187.82)	123.40
Add: Cash and cash equivalents at the beginning of the year	200.37	76.97
Cash and cash equivalents at the end of the year	**12.55**	200.37
Components of Cash and cash equivalents		
Balances with banks - in Current accounts	12.47	200.26
Cash on hand	0.08	0.11
Total Cash and cash equivalents	**12.55**	200.37

Note:

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Refer Note 33 - Disclosure pursuant to para 44 A to 44 E of Ind AS 7 -Cash flow Statements

The balance lying in escrow / current account with banks of Rs. 12.47 million (Rs. 200.26 million) held as security against borrowings.

As per our attached report of even date

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

For and on behalf on board

Parag D. Mehta
Partner
Membership No. 113904
Date: May 09, 2022
Place: Mumbai

Sandeep Joshi
Director
DIN no: 09586595
Date: May 09, 2022
Place: Mumbai

Mahesh Gaikwad
Director
DIN: 06664942

NK Toll Road Limited

Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

Rs. Millions

Particulars	Balance at the beginning of the year/period	Changes in equity share capital during the year/period	Balance at the end of the year/period
For the year ended March 31, 2021	44.77	-	44.77
For the year ended March 31, 2022	**44.77**	**-**	**44.77**

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

Rs. Millions

Particulars	Balance at the beginning of the year/period	Changes during the year/period	Balance at the end of the year/period
For the year ended March 31, 2021	1,982.69	-	1,982.69
For the year ended March 31, 2022	**1,982.69**	**-**	**1,982.69**

Rs. Millions

Particulars	Reserves and Surplus	Total
Balance at April 01, 2020	(365.54)	(365.54)
Profit for the year	(44.86)	(44.86)
Other comprehensive income/(loss) for the year		-
Remeasurement gains/(loss) on defined benefit plans	0.84	0.84
Total comprehensive income for the year	(44.02)	(44.02)
Balance as at March 31, 2021	(409.56)	(409.56)
Balance at April 01, 2021	**(409.56)**	**(409.56)**
Profit for the year	**(156.34)**	**(156.34)**
Other comprehensive income/(loss) for the period		
Remeasurement gains/(loss) on defined benefit plans	**(0.37)**	**(0.37)**
Total comprehensive income for the period	**(156.71)**	**(156.71)**
		-
For the year ended March 31, 2022	**(566.28)**	**(566.28)**

As per our attached report of even date

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

For and on behalf on board

Parag D. Mehta
Partner
Membership No. 113904

Date: May 09, 2022
Place: Mumbai

Sandeep Joshi
Director
DIN no: 09586595

Mahesh Gaikwad
Director
DIN: 06664942

Date: May 09, 2022
Place: Mumbai

Note 1: Corporate information

NK Toll Road Limited ("the Company") was incorporated on June 29, 2005, was awarded on Build, Operate and Transfer (BOT) basis, the widening of existing two-lane covering 33.48 kms stretch from Km 258.645 (End of Namakkal By pass) -Km 292.60 (Start of Karur Bypass) Section of National Highway No.7 in the State of Tamilnadu and operation and maintenance thereof, under the Concession Agreement dated January 30, 2006 with National Highways Authority of India. The Concession Agreement is for a period of 20 years from July 29, 2006 being the appointed date.

The Company is wholly owned 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 09, 2022 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 public 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.

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 20) and Quantitative disclosures of fair value measurement hierarchy (note 21).

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.

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 Built, 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.

Amortization of concession intangible assets

The Intangible asset recognized are amortised over the concession period on the basis of projected toll revenue which reflects the pattern in which the assets economic benefits are consumed. The projected total toll revenue is based on the independent traffic volume projections; Amortization is revised in case of any material change in the expected pattern of economic benefits. Refer note 24 for description and significant terms of the concession agreements.

Financial assets model

The financial asset model applies when the operator has an unconditional right to receive cash or another financial asset from the grantor in remuneration for concession services. In the case of concession services, the operator has such an unconditional right if the grantor contractually guarantees the payment of amount specified or determined in the contract or the shortfall, if any, between amounts received from users of public service and amounts specified or determined in the Contract.

Financial Assets resulting from application of Appendix D of Ind AS 115 are recorded in the Balance Sheet under the heading "Other Financial Assets" and recognized at amortised cost.

However in case of certain arrangements, the contract may include a payment commitment on the part of the concession grantor covering only part of investment, with the balance to be recovered from by charging users of service . In such arrangements the investment amount guaranteed by the concession grantor is recognized under the financial asset model and the residual balance is recognized under the Intangible asset model.

Any asset carried under concession arrangements is derecognized on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

Maintenance obligations

Contractual obligations to maintain, replace or restore the infrastructure (principally resurfacing costs and major repairs and unscheduled maintenance which are required to maintain the Infrastructure asset in operational condition except for any enhancement element) are recognized and measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date for which next resurfacing would be required as per the concession arrangement. The provision is discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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 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 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.

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' 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 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 the basis of projected toll revenue which reflects the pattern in which the assets economic benefits are consumed. The projected total toll revenue is based on the independent traffic volume projections; Amortization is revised in case of any material change in the expected pattern of economic benefits.

(iv) Provision for resurfacing obligation (major maintenance expenditure)

The Company records the resurfacing obligation for its present obligation as per the concession arrangement to maintain the toll roads at every five years during the concession period. The provision is included in the Financial Statements at the present value of the expected future payments. The calculations to discount these amounts to their present value are based on the estimated timing of expenditure occurring on the roads.

The discount rate used to value the resurfacing provision at its present value is determined through reference to the nature of provision and risk associated with the expenditure.

3.17 Recent accounting pronouncements

On March 23, 2022, the Ministry of Corporate Affairs ("MCA") has notified companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2022

i) Ind As 101 – First Time adoption of Ind AS
II) Ind As 103 – Business Combination
iii) Ind As 109 – Financial Instrument
iv) Ind As 16 – Property, Plant & Equipment
v) Ind As 37 – Provisions, Contingent Liabilities and Contingent Assets
vi) Ind As 41 – Agriculture

Applications of the above standards are not expected to have any significant impact on the company's financial statements.

NK Toll Road Limited
Notes to Financial Statements for the year ended March 31, 2022

Note 4 - Concession Intangible assets

Rs. Millions

Particulars	Toll Collection right (Intangible Assets)
Year ended March 2021	
Opening gross carrying amount	3,146.18
Additions	-
Disposals/Adjustment	-
Closing gross carrying amount	3,146.18
Accumulated Amortisation and impairment	1,074.78
Opening accumulated Amortisation and impairment	1,074.78
Amortisation charge for the year	263.62
Disposals/Adjustment	-
Closing accumulated Amortisation and impairment	1,338.40
Net carrying amount as at March 31, 2021	**1,807.78**
Year ended March 31, 2022	
Opening gross carrying amount	**3,146.18**
Additions	-
Disposals/Adjustment	-
Closing gross carrying amount	**3,146.18**
Accumulated Amortisation and impairment	**1,338.40**
Opening accumulated Amortisation and impairment	1,338.40
Amortisation charge for the year	274.84
Disposals/Adjustment	-
Closing accumulated Amortisation and impairment	**1,613.24**
Net carrying amount as at March 31, 2022	**1,532.94**

Note :
1) The above Intangible Asset are pledged as security with lenders
2) The company has included flat at Dahisar west in Mumbai district of Rs 0.93 Million in gross block of Intangible assets.

3) All the title deeds of Immovable property are held in the name of the company

4) No proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988. Therefore the disclosure of details of Benami Property held is not applicable.

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Note 5 (a) - Cash and cash equivalents		
Balances with banks		
- in current accounts	12.47	200.26
Cash on hand	0.08	0.11
	12.55	**200.37**
Note 5 (b) - Bank balances other than cash and cash equivalents*		
Deposits with maturity of more than three months but less than twelve months	-	212.19
	-	**212.19**

***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.

Particulars	As at March 31, 2022	As at March 31, 2021
Note 5 (c) - Loans		
Unsecured, considered good		
Loans		
- Intercorporate deposits to Related Party (Refer Note No 31)	163.00	100.00
	163.00	**100.00**

Note:
Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
(a) repayable on demand; or
(b) without specifying any terms or period of repayment,

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature
Related parties		
Reliance Infrastructure Limited	Rs 100 Mn amount of Intercoporate deposits given	100%
JR Toll Road Limited	Rs 63 Mn amount of Intercoporate deposits given	100%

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Note 5 (d) - Other financial assets - current		
(Unsecured considered good unless otherwise stated)		
Interest accrued on fixed deposits	-	5.40
Retention money receivable from NHAI	-	1.38
Claim receivable from NHAI	4.66	4.96
Security deposits	1.48	1.61
Other receivables	1.90	3.26
	8.04	**16.61**
Note 5 (e) - Non Current financial assets		
(Unsecured considered good)		
Security deposits	0.13	-
	0.13	-
Note 6 - Other Current assets		
(Unsecured considered good)		
Advance to vendors	0.29	0.12
Advance to employees	-	0.01
Prepaid Expenses	1.38	3.44
Duties and taxes receivable	2.35	0.54
	4.02	**4.11**

Rs. Millions

Particulars	Nos of Shares	As at March 31, 2022	As at March 31, 2021
Note 7 - Share Capital and Other equity			
Note 7 (a) - Authorised Share Capital			
At the beginning of the year	10,00,00,000	1,000.00	1,000.00
Add : Increase during the year	-	-	-
At the end of the year	10,00,00,000	1,000.00	1,000.00
Note 7 (b) - Issued, subscribed and paid-up equity share capital			
At the beginning of the year	44,77,000	44.77	44.77
Add : Increase during the year	-	-	-
At the end of the year	44,77,000	44.77	44.77

Note 7 (c) - 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 7 (d) - Reconciliation of nos of Shares

Nos of Shares at the beginning of the year	44,77,000	44,77,000
Add : Nos of Shares issued during the year	-	-
Nos of Shares at the end of the year	44,77,000	44,77,000

Note 7 (e) - Shares held by the holding company Company or their subsidiaries/associates

Reliance Infrastructure Limited (Holding Company) & its nominees

Reliance Infrastructure Limited (Holding Company) & its nominees	**44,77,000**	**44,77,000**

(Name of Other Company holding Shares)
(Relationship of Company)

Note 7 (f) - Details of Shareholders holding more than 5% shares

Reliance Infrastructure Limited		
Nos of Shares	**44,77,000**	**44,77,000**
% of holding	**100%**	100%

The holding company has pledged 22,83,270 (P.Y 36,26,370) Equity Shares for availing various term loans.

Note 7g - Details of Shares held by promoters

Promoter Name	No. Of Shares	% of Shares
Reliance Infrastructure Limited	44,77,000	100.00%
Total	**44,77,000**	

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Note 8a - Sub-ordinated debt (in nature of equity)		
At the beginning of the year	1,982.69	1,982.69
Increase / (decrease) during the year	-	-
At the end of the year	**1,982.69**	**1,982.69**

Note 8a(i) - Sub-ordinated debt infused by holding company

Reliance Infrastructure Limited (Holding Company)	**1,982.69**	**1,982.69**

Terms and rights attached to Sub-ordinated debts infused by holding company.

i) Subordinated debt is the part of holding company 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 8b- Other equity -Reserves and Surplus

Retained Earnings	(566.28)	(409.56)
	(566.28)	**(409.56)**

Note 8(b)(i) - Retained Earnings

At the beginning of the year	(409.56)	(365.54)
Profit/(Loss) for the year	(156.34)	(44.86)
directly in retained earnings		
- Remeasuremens of post-employements obligations (net of tax)	(0.37)	0.84
At the end of the year	**(566.28)**	**(409.56)**

Note 09 - Borrowings - Non current

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
10.70 % Non Convertible Debentures (Redeemable at Par)	-	152.54
	-	
Secured Term loans		
Term loans from banks	-	205.55
Total	-	358.09

1) Secured Term Loan from Banks of Rs. NIL (Principal undiscounted amount) are secured as under:

The Borrowings are secured by the way of terms stated in Common Loan Agreement entered between company and Consortium of lenders:-

(i) a first ranking pari passu mortgage/charge over all the Borrower's immoveable and movable properties, both present and future, except the Project Assets. ;
(ii) a first ranking pari passu charge on all the Borrower's bank accounts including, but not limited to the Escrow Account/ its Sub-Accounts where all revenues, Disbursements, receivables shall be deposited and in all funds from time to time deposited therein and in all Permitted Investments or other securities representing all amounts credited to the Escrow Account.
(iii) a first ranking pari passu charge on all movable tangible and intangible assets of the Borrower (other than those specified in paragraphs (ii)

above and (iv) below) including but not limited to its goodwill, undertaking and uncalled capital, both present and future, except the Project Assets.;
(iv) a first ranking pari passu charge over / assignment of the right, title, interests, benefits, claims and demands of the Borrower in, to and under any letter of credit, guarantees (except the guarantees issued in favour of NHAI) including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents.
(v) the applicable interest rate for Rupee Term Loan is 11.25% p.a.

2) 10.70 % Non-Convertible Debentures of Rs. NIL (Principal undiscounted amount) are secured as under::
(i) Rated Secured, redeemable non-convertible debenture of face value Rs.1,00,000/-
(ii) The applicable interest rate for non-convertible debenture is 10.70%p.a.
(iii) Repayment started from 31st Dec 2015.
The Borrowings are secured by :
(iii) mortgage, by way of the first charge on all the Issuer's immovable properties, both present and future, save and except the Project Assets,

(iv) First charge over on all the Issuer's tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, noth present and future saven and except the project assets,
(v) First charge over on all accounts of the Issuer (excluding the escrow account) that may be opened in accordance with this agreement and the supplementary escrow agreement or any of the other project agreements and all funds from time to time deposited therein, the receivables and all authorised investments or ther securities.
(vi) First charge on all intangible assets including but not limited to goodwill, rihts, undertaking and uncalled capital present and future exlcuding the project assets.
(vii) First charge on assignment by way of security on all the right, title, interest, benefits, claims and demands whatsoever of the issuer in the project agreements, all Government approvals, any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond, all insurance contracts.

3) 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.
4) Filing of the quarterly returns or statements of current assets is not applicable to the company.
5) None of the Banks / FII / other lenders has declared the company as wilful defaulter in accordance with guidelines on wilful defaulters issued by RBI. Hence wilful defaulter disclosure is not applicable.

6) The carrying amounts of assets pledged as security for current and non-current borrowings are considered in Note no. 33
7) Registration of charges or satisfaction with Registrar of Companies (ROC) :
The Company has received No due certificate from NIIFL on 24th March 2022 and from IDFC Bank on 5th April 2022, after that Draft Reconveyance deed shared by Trustee on 27th April, 2022. The Company will file charges or satisfaction documents shortly as per availability of

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Note 9 (b) - Borrowings -Current		
Secured		
Current Maturities of long term debt	-	216.00
Total	-	216.00

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Note 10 - Trade Payables		
Total outstanding due to Micro and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises & small enterprises		
Related	2.24	2.24
Other	54.28	63.87
Total	**56.52**	**66.11**

a) Trade Payables ageing schedule
As at 31st March 2022

Particulars	Outstanding for below periods from date of transaction				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
1) MSME	-	-	-	-	-
2) Others	3.83	5.93	1.54	30.26	41.57
3) Disputed Dues - MSME	-	-	-	-	-
4) Disputed Dues - Others	-	-	-	-	-
5) Unbilled dues	-	-	-	-	14.95
Total Trade Payables	**3.83**	**5.93**	**1.54**	**1.54**	**56.52**

As at 31st March 2021

Particulars	Outstanding for below periods from date of transaction				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
1) MSME	-	-	-	-	-
2) Others	10.98	1.37	- 44.94	75.20	42.61
3) Disputed Dues - MSME	-	-	-	-	-
4) Disputed Dues - Others	-	-	-	-	-
5) Unbilled dues	-	-	-	-	23.50
Total Trade Payables	**10.98**	**1.37**	**- 44.94**	**1.54**	**66.11**

c) 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.

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Note 11 - Other financial liabilities - current		
Interest accrued but not due	-	3.21
Employee benefits payable	2.61	1.29
Retention money payable (Refer Foot Note)	4.55	3.77
Total	**7.16**	**8.27**

Foot Note:
Retention Payables ageing schedule
As at 31st March 2022

Particulars	Outstanding for below periods from date of transaction				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
1) Retention money payable	0.78	0.27		3.50	**4.55**
Total	**0.78**	**0.27**	**-**	**3.50**	**4.55**

As at 31st March 2021

Particulars	Outstanding for below periods from date of transaction				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
1) Retention money payable	0.27	-	0.71	2.78	**3.77**
Total	**0.27**	**-**	**0.71**	**2.78**	**3.77**

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Note 12 (a) - Provisions - Current		
Current		
Provision for employee benefits		
- Gratuity	0.33	0.30
- Leave encashment	0.04	0.04
Total	**0.37**	**0.34**

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Note 12 (b)- Provisions - Non - Current		
Provision for employee benefits		
- Gratuity	1.80	1.21
- Leave encashment	0.07	0.11
Others		
- Resurfacing expenses	259.49	193.07
Total	**261.36**	**194.39**
Movement of Resurfacing provisions is as follows:		
At the beginning of the year	**193.07**	**137.91**
Charged / (credited) to Statement of Profit and Loss		
Provision made during the year	43.25	38.61
Excess provision written back	-	-
unwinding of discount	23.17	16.55
At the end of the year	**259.49**	**193.07**

Resurfacing provisions - significant estimates

As per the service concession arrangement with NHAI, the company is obligated to carry out resurfacing of the roads under concession. The company estimates the likely provision required towards resurfacing and accrues the costs on a straight line basis over the period at the end of the which resurfacing would be required, in the Statement of Profit and Loss in accordance with Ind AS 37 ' Provisions, Contingent Liabilities and Contingent Assets.

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Note 13 - Other current liabilities		
Duties and taxes payable	0.59	0.09
Total	**0.59**	**0.09**

NK Toll Road Limited
Notes to Financial Statements for the year ended March 31, 2022

Rs. Millions

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Note 14 - Revenue from operations		
Operating income		
- Income from toll collections	377.15	331.56
	377.15	**331.56**
Note 15 - Other income		
- On fixed deposits	12.60	13.19
Miscellaneous income	0.08	0.10
Claim received from NHAI	-	101.37
	12.68	**114.66**
Note 16 - Toll Operation and Maintainence expenses		
Subcontracting expenses	61.70	62.56
Maintainence of Roads	41.69	36.62
Electricity expenses	2.51	4.13
Handling Charges	0.09	0.53
Site and other direct expenses	1.06	0.47
	107.05	**104.31**
Note 17 - Employee benefits expenses		
Salaries wages and bonus	11.99	7.04
Contribution to provident funds and other funds	0.56	0.46
Gratuity	0.24	0.31
Leave encashment	0.11	0.07
Staff welfare expenses	0.11	0.18
	13.01	**8.06**
Note 18 - Finance Costs		
Interest on loan	54.10	75.71
Unwinding of discount on provisions	23.17	16.55
Other finance charges	1.26	0.59
	78.53	92.85
Note 19 - Other expenses		
Rent	0.33	0.47
Rates & taxes	0.30	0.00
Insurance	9.14	11.77
Legal and Professional Charges	7.46	8.44
- Audit Fees	0.24	0.24
- Certification Fees	-	0.14
Travelling and Conveyance	0.22	0.04
Other miscellaneous expenses	2.14	1.14
	19.83	**22.24**

NK Toll Road Limited
Notes to Financial Statements as of and for the year ended March 31, 2022

Note 20 - Fair value measurements

Signficance of financial instruments

Classification of financial instruments

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets		
At amortised Cost		
Loans	163.00	100.00
Security Deposits	1.61	1.61
Interest accrued on fixed deposits	-	5.40
Retention Money receivable from NHAI	-	1.38
Cash and Cash equivalents	12.55	200.37
Other bank balances	-	212.19
Claim receivable from NHAI	6.56	8.22
Total financial assets	**183.72**	**529.17**
Financial liabilities		
At amortised Cost		
Floating Rate Borrowings	-	330.31
Debentures	-	243.78
Trade Payables	56.52	66.11
Retention money payable	4.55	3.77
Interest accrued but not due	-	3.21
Employee Benefits Payable	2.61	1.29
Total financial liabilities	**63.68**	**648.47**

Note 21 - Fair value Hierarchy

(a) Fair value hierarchy - Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Financial liabilities		
Level 3		
Floating Rate Borrowings	-	330.31
Debentures	-	243.78
Retention money payable	4.55	3.77
Total financial liabilities	**4.55**	**577.86**

Recognised fair value measurements
Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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, Rerention 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.

(b) Fair value of financial assets and liabilities measured at amortised cost

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Financial liabilities		
Carrying value of financial liabilities at amortised cost		
Floating rate borrowings	-	330.31
Debentures	-	243.78
Retention money payable	4.55	3.77
	4.55	**577.86**
Fair value of financial liabilities carried at amortised cost		
Floating rate borrowings	-	330.31
Debentures	-	243.78
Retention money payable	4.55	3.77
NHAI Premium Payable		
	4.55	**577.86**

The carrying value amounts of security deposits, retention money receivable, cash and cash equivalents,trade payables, employee benefits payable approximate their fair value due to their short term nature.

NK Toll Road Limited
Notes to Financial Statements for the year ended March 31, 2022

Note 22 – 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 — foreign exchange	Recognized financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Actively Managed
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 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

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Variable Rate Borrowings	-	330.31
Fixed Rate Borrowings	-	243.78
Total	**-**	**574.09**

b) Sensitivity analysis

from borrowings as a result of changes in interest rates.

Impact on profit/loss after tax	As at March 31, 2022	As at March 31, 2021
Interest rates (increase) by 100 basis points	-	(2.79)
Interest rates decrease by 100 basis points	-	2.79

Note 23 - 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, 2022 and March 31, 2021.

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).

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Net debt (a)	-	574.09
Equity (b)	1,461.18	1,617.90
Net debt to equity ratio (a) / (b)	-	0.35

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Net debt (a)	-	574.09
Equity (b)	1,461.18	1,617.90
Nebt debt plus Equity (c = a+b)	1,461.18	2,191.99
Gearing ratio (a) / c	-	0.26

NK Toll Road Limited
Notes to Financial Statements for the year ended March 31, 2022

Note 24 - Concession arrangements - Main features

Rs. Millions

Name of entity	Description of the arrangement	Significant terms of the arrangement	Intangible Assets	
			Gross book value	Net book value
			31-Mar-22	**31-Mar-22**
			3,146.18	**1,532.94**
			31-Mar-21	31-Mar-21
NK Toll Road Limited	Financing, design, building and operation of 41 kilometre long four lane toll road between Namakkal and Karur on National Highway 7	Period of concession: 2006 - 2026 Remuneration : Toll Investment grant from concession grantor : Yes 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 : Nil	3,146.18	1,807.78

NK Toll Road Limited
Notes to Financial Statements for the year ended March 31, 2022

Note 25

Liquidity risk - Table

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 (2). The following table analyses financial liabilities by remaining contractual maturities.

The table below analyses the group'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, 2022	Less than 1 year	More than 1 year	Total
Non-derivatives			
Borrowings	-	-	-
Interest on Borrowings	-	-	-
Trade and other payables	56.52	-	56.52
Other financial liabilities	7.16	-	7.16
Total non-derivatives	**63.68**	**-**	63.68

Rs. Millions

As at March 31, 2021	Less than 1 year	More than 1 year	Total
Non-derivatives			
Borrowings	216.00	358.09	574.09
Interest on Borrowings	43.87	36.26	80.13
Trade and other payables	66.11	-	66.11
Other financial liabilities	5.06	-	5.06
Total non-derivatives	**331.04**	**394.35**	725.39

Note 26 Earning per share

Particulars	As at March 31, 2022	As at March 31, 2021
Profit / (Loss) attributable to equity shareholders (Rs. Millions) (A)	(156.34)	(44.86)
Weighted average number of equity shares for basic and diluted earnings per share (Rs.) (B)	44,77,000	44,77,000
Earnings / (Loss) per share (Basic and diluted) (Rs.) (A/B)	(34.92)	(10.02)
Nominal value of equity shares (**Rs.**)	10.00	10.00

Note 27 - Contingent Liability

Particulars	**As at March 31, 2022**	As at March 31, 2021
1. Claims against the company not acknowledged as debts and under litigation		
Income Tax Claim	-	-

There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated February 28th, 2019 on Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. The Company has evaluating and there is no material impact on its financial statement. The Company, in respect of the above mentioned Contingent Liabilities has assessed that it is only possible but not probable that outflow of economic resources will be required.

Note 28 - Arbitration Claims by the Company

EPC Contractor had raised claims against the Company under the provisions of the EPC Agreement which primarily arose due to events attributed to NHAI. The claims were scrutinized by the Company and after due deliberations, it was agreed between the Company and the EPC Contractor that the claims shall be referred to NHAI for consideration.

Accordingly the Company along with its claims, submitted the claims of the EPC Contractor to NHAI amounting to 1,058.20 millions for consideration. The claims were rejected by NHAI and accordingly after following the due procedure of Dispute resolution, the claims were referred to Arbitration. The Arbitral Tribunal pronounced an Award in favour of the Company for an amount of Rs. 699.42 millions (includes interest of Rs. 363.59 millions till the date of award). Further, the Tribunal has also awarded an interest @ 12% from the date of Award till the date of realization if the awarded amount is not paid within 60 days from the date of Award. On January 7, 2017 NHAI as per the Award passed by the Arbitral Tribunal paid an amount of Rs. 4.77 millions towards cost of arbitration and an amount of Rs. 7.21 millions towards delay in payment of grant during construction period.

NHAI challenged the arbitration award passed by tribunal before the single bench of the Hon'ble High Court of Delhi. The Hon'ble High Court of Delhi on March 23, 2017 dismissed the plea of NHAI on merits. NHAI has challenged the Order passed by the single bench of the High Court of Delhi in the division bench of the Hon'ble High Court of Delhi. Based on an interim Order of the division bench of the Hon'ble High Court of Delhi, NHAI made further payment of Rs. 12.40 million as per the descending note of the Arbitration Award.

The EPC Contractor has agreed to await the conclusion of the process in the Courts. It is also agreed between the EPC Contractor and Company that payment towards EPC Contractor's claims shall be made to the EPC Contractor by the Company when the same is received by NHAI. The Company will update the EPC Contractor with regard to the status of the matter pending before the Hon'ble High Court of Delhi.

In another arbitration between the Company and NHAI, an Award was passed in favour of the Company amount to Rs. 111.2 millions. The arbitral award was challenged by NHAI before the Hon'ble High Court Delhi. However the parties entered into an Agreement through which NHAI release an amount of Rs. 101.3 millions as full and final settlement of the Arbitral Award.

Note 29 - 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.

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Contribution to provident fund and other funds	0.91	0.84
Total	**0.91**	**0.84**

a) Defined benefit plan

The company 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:

Rs. Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Expenses Recognised in the Statement of Profit and Loss		
Current service cost	0.16	0.19
Interest cost on benefit obligation	0.08	0.13
Expenses Recognised	**0.24**	**0.32**
Income/(Expenses) Recognised in Other Comprehensive Income (OCI)		
Actuarial Loss/(Gain) arising on account of demographic assumptions	(0.01)	-
Actuarial Loss/(Gain) arising from change in financial assumptions	0.22	0.12
Actuarial Loss/(Gain) arising on account of experience changes	0.16	(0.97)
Experience (gains)/losses	-	-
Return on Plan Assets excluding Interest Income	(0.00)	(0.00)
Amount recognized in OCI	**0.37**	**(0.85)**
Major Categories of plan asses as a percentage of total		
Insurer Managed Funds	**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

Maturity Analysis of Project Benefit Obligation		
Within the next 12 months (next annual reporting period)	0.43	0.34
Between 2 and 5 years	1.25	0.90
Between 6 and 10 years	0.77	0.54
Beyond 10 years	0.47	0.34
Total expected payments	**2.93**	**2.12**
The average duration of the defined benefit plan obligation at the end of the reporting period	**4 years**	4 years

Particulars	As at March 31, 2022	As at March 31, 2021
Starting Period	01-Apr-21	01-Apr-20
Date of Reporting	31-Mar-22	31-Mar-21
Period of Reporting	12 Months	12 Months
Assumptions		
Expected Return on Plan Assets	5.66%	5.76%
Rate of Discounting	5.66%	5.76%
Rate of Salary Increase	8.00%	3.00%
Rate of Employee Turnover	20.00% p.a. for all service groups.	20.00% p.a. for all service groups.
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Mortality Rate After Employment	N.A.	N.A.

Change in the Present Value of Projected Benefit Obligation	As at March 31, 2022	As at March 31, 2021
Present Value of Benefit Obligation at the Beginning of the Period	**1.68**	**2.44**
Interest cost	0.09	0.14
Current service cost	0.16	0.19
(Benefit Paid Directly by the Employer)	-	(0.24)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(0.01)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.22	0.12
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.16	(0.97)
Present Value of Benefit Obligation at the End of the Period	**2.31**	**1.68**

Change in the Fair Value of Plan Assets	As at March 31, 2022	As at March 31, 2021
Fair Value of Plan Assets at the Beginning of the Period	0.17	0.16
Interest Income	0.01	0.01
Return on Plan Assets, Excluding Interest Income	0.00	0.00
Fair Value of Plan Assets at the End of the Period	**0.18**	**0.17**

Amount Recognized in the Balance Sheet	As at March 31, 2022	As at March 31, 2021
(Present Value of Benefit Obligation at the end of the Period)	(2.31)	(1.68)
Fair Value of Plan Assets at the end of the Period	0.19	0.17
Funded Status (Surplus/ (Deficit))	(2.12)	(1.53)
Net (Liability)/Asset Recognized in the Balance Sheet	**(2.12)**	**(1.53)**
Provisions		
Current	(0.30)	(0.30)
Non-current	(1.82)	(1.23)

A quantitative analysis for significant assumption is as shown below:

Particulars	As at March 31, 2022	As at March 31, 2021
Assumptions -Discount rate		
Sensitivity Level	100 bp	100 bp
Impact on defined benefit obligation -in % increase	-3.53%	-3.49%
Impact on defined benefit obligation -in % decrease	3.83%	3.79%
Assumptions -Future salary increases		
Sensitivity Level	100 bp	100 bp
Impact on defined benefit obligation -in % increase	3.71%	3.78%
Impact on defined benefit obligation -in % decrease	-3.49%	-3.54%

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:

Plan Assets Composition

Particulars	As at March 31, 2022	As at March 31, 2021
Non Quoted		
* 'Insurer Managed Funds	0.19	0.17
	0.19	**0.17**

* As per Acturial Valuation Report

NK Toll Road Limited
Notes to Financial Statements for the year ended March 31, 2022

Rs. Millions

Note 30 Income tax expense

	March 31, 2022	March 31, 2021
(a) Income tax expense		
Current tax		
Current tax on profits for the year -(tax expense for earlier years)	1.59	-
Total current tax expense	**1.59**	-
Deferred tax		
Decrease/(increase) in deferred tax assets	95.69	-
(Decrease)/increase in deferred tax liabilities	(44.37)	-
Total deferred tax expense/(benefit)	**51.32**	-
Income tax expense	**52.90**	-
Income tax expense is attributable to:		
	March 31, 2022	**March 31, 2021**
Profit/(Loss) as per Ind AS from operations before income tax expense	(103.43)	(44.86)
Income Tax as per effective Tax Rate of 27.82% (26%)	(28.78)	(12.48)
Expenses not allowed for tax purpose	28.78	12.48
Reversal / (Creation) of Deferred Tax	51.32	
Income Tax for Earlier Years	1.59	
Total Tax Expense	**52.90**	-

(b) Tax loss on which tax credit not recognised in Financial Statement

	March 31, 2022	March 31, 2021
Unused tax on business losses for which no deferred tax assets has been recognised	-	**203.69**

(c) Deferred tax balances
The balance comprises temporary differences attributable to:

Rs. Millions

	March 31, 2022	March 31, 2021
Deferred tax liability on account of:		
Concession Intangible Assets	206.20	250.43
Borrrowings	-	0.13
	206.20	**250.56**
Deferred tax asset on account of:		
Provision for resurfacing expenses	67.47	53.71
Retirement Benefits	0.58	0.46
Unabsorbed losses (including depreciation)	200.78	310.34
	268.83	**364.51**
Net deferred tax (liability)/Asset	**62.63**	**113.95**

(d) Movement in deferred tax balances:				
Particulars	**Intangible assets - toll collection rights**	**Unused Tax Losses**	**Others items**	**Total**
As at April 01, 2020	(270.16)	345.11	39.01	113.96
Charged/(credited) during the year				
to profit or loss	19.73	(34.77)	15.04	(0.01)
to other comprehensive income				
As at March 31, 2021	**(250.43)**	**310.34**	**54.05**	**113.95**
As at April 01, 2021	(250.43)	310.34	54.05	113.95
Charged/(credited) during the quarter				
to profit or loss	44.24	(109.56)	14.00	(51.32)
to other comprehensive income				
As at March 31, 2022	**(206.20)**	**200.78**	**68.05**	**62.63**

Note 31 - Related Party Transactions

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

Holding Company
Reliance Infrastructure Limited

Key Management Personnel
Madan Pendse - Director
Rajesh Das - Director
Mahesh Gaikwad - Director

Details of transactions and closing balance

Rs. Millions

Particulars	March 31, 2022	March 31, 2021
Transactions during the year : -		
Inter-corporate deposit		
JR Toll Road Private Limited	63.00	-
Balances at the year end: -		
Inter-corporate deposit		
Reliance Infrastructure Limited	100.00	100.00
JR Toll Road Private Limited	63.00	-
Trade Payable		
Reliance Infrastructure Limited	2.24	2.24
Sub-debts (in nature of equity)		
Reliance Infrastructure Limited	1,982.69	1,982.69
Equity share capital (excluding premium)		
Reliance Infrastructure Limited	44.77	44.77

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

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

NK Toll Road Limited
Notes to Financial Statements for the year ended March 31, 2022

Note 32 : Assets pledged as security

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

Rs. Millions

	Note	March 31, 2022	March 31, 2021
Current			
Financial assets			
First charge			
Cash and cash equivalents	5a	12.55	200.37
Other Financial Assets	5b	8.04	15.00
Non-financial assets			
First charge			
Other Current Assets	7	4.02	4.11
Total current assets pledged as security		**24.61**	**219.48**
Non-Current			
First charge			
Intangible Asset	4	1,532.94	1,807.78
Other Financial Assets	5e	0.13	
Total non-current assets pledged as security		**1,533.07**	**1,807.78**
Total assets pledged as security		**1,557.68**	**2,027.26**

Note 33 : Disclosure pursuant to para 44 A to 44 E of Ind AS 7 -Cash flow Statements

Rs. Millions

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Long term Borrowings		
Opening Balance	**574.09**	**729.86**
Changes in Fair Value		
- Impact of Effective Rate of Interest	0.31	0.23
Repaid During the year	574.40	156.00
Closing Balance	**0.00**	**574.09**
Interest Expenses		
Opening Balance	**3.21**	**3.54**
Interest Charge as per Statement Profit & Loss / Intangible assets under development	78.53	92.85
Changes in Fair Value		
- Impact of Effective Rate of Interest	(0.31)	(0.23)
- Unwinding of Discount on provisions	(23.17)	(16.55)
- Other		
Interest paid to Lenders	(58.26)	(76.40)
Closing Balance	**0.00**	**3.21**

NK Toll Road Limited
Notes to Financial Statements for the year ended March 31, 2022

Note 34 - Ratios

Rs. Millions

Particulars	Mar-22	Mar-21	% Change	Reason
1) Current ratio (a/b)	**2.90**	**1.83**	58.29	Ratio improved mainly due to repayment of entire secured loan.
Current Assets (a)	187.61	533.28		
Current Liability (b)	64.64	290.81		
2) Debt Equity ratio (c/d)	**-**	**0.35**	(100.00)	NA, In current year due to Company is made full repayment of Secured Term
Debt (c)	-	574.09		
Equity (d)	1,461.18	1,617.90		
3) Debt Service Coverage ratio (e/f)	**0.40**	**3.38**	(88.22)	DSCR is low as compare to last year because Loan was entirely repaid out of surplus cash flow accrued during the life of the project.
EBITDA (e)	249.94	311.61		
Interest on Term Loan	54.10	75.71		
Principal Repayment	574.40	16.56		
Total Interest & Principal Repayment (f)	628.50	92.27		
4) Return on Equity ratio (g/h)	**(0.11)**	**(0.03)**	285.91	Due to increase in looses as compare to last year, resulting reduction in equity ratio.
Profit after Tax (g)	(156.34)	(44.86)		
Shareholder's Equity (h)	1,461.18	1,617.90		
5) Trade Payable Turnover ratio (i/j)	**0.15**	**0.20**	(24.85)	
Trade Payable (i)	56.52	66.11		
Total Turnover(Income) (j)	377.15	331.56		
6) Net Capital Turnover ratio (n/k)	**0.33**	**0.73**	(55.41)	Ratio reduced mainly due to repayment of entire secured Loan and reduction in cash balances.
Revenue from operations(k)	377.15	331.56		
Current Assets (l)	187.61	533.28		
Current Liabilities (m)	64.64	290.81		
Working Capital (n) {l-m}	122.98	242.47		
7) Net Profit ratio	**(0.41)**	**(0.14)**	206.40	Due to increase in looses as compare to last year, resulting reduction in ratio.
Profit after Tax (m)	(156.34)	(44.86)		
Total Sales (n)	377.15	331.56		
8) Return on Capital Employed (o/r)	**0.17**	**0.14**	20.32	
EBITDA (o)	249.94	311.61		
Net Worth (p)	1,461.18	1,617.90		
Total Debt (q)	-	574.09		
Total Capital Employed ('r) {p+q}	1,461.18	2,191.99		
9) Return on Investment (s/t)	**0.17**	**0.19**	(11.19)	
EBITDA (s)	**249.94**	**311.61**		
Net Worth (t)	1,461.18	1,617.90		
10) Inventory Turnover Ratio	NA	NA		
11) Trade Receivable Turnover Ratio	NA	NA		

Note 35- 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 36 - Events after reporting period
There are no subsequent event after the reporting year which required adjustments to the Financial Statements.

Note 37 –Foreign currency Exposure
The Company does not have any exposure in the foreign currency.

Note 38 - 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 39 Other Statutory Information
i) The company has no transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
ii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries:

iii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

iv) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

Note 40 Details of Crypto currency or virtual currency
Company has not traded or invested in Crypto currency or Virtual Currency during the financial year

Note 41
Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year.

As per our attached report of even date

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

For and on behalf on board

Parag D. Mehta
Partner
Membership No. 113904

Date: 09th May 2022
Place: Mumbai

Sandeep Joshi
Director
DIN no: 09586595

Mahesh Gaikwad
Director
DIN: 06664942

Date: May 09, 2022
Place: Mumbai